

From: Bev Gibbs, **Financial Advisor, KEIFCA**

To: Kent and Essex Inshore Fisheries and Conservation Authority - 29 November 2016.

Subject: Revenue Budget Monitoring Report 2016-17

Classification: **Unrestricted**

Summary: This report gives the estimated financial outturn position for the Authority based on data at the end of October 2016. The appendix includes the actuals to 31st October 2016 and the revenue outturn forecast for the year with the variance to the budget. There is also a section on the Authority's purchase cards, with a proposed change to the current system, replacing KCC cards with Lloyds Bank plc business charge cards.

Recommendation(s):

1. The Authority is asked to review and approve the forecast underspend for the year of £39,588.00. This underspend is indicative at the present time and is likely to change throughout the year.
2. The Authority is asked approve the use of Lloyds Bank plc Business Charge Cards as a replacement for the KCC Purchase Card

1. Introduction

- 1.1 This report shows the likely outturn based upon data at the end of October 2016. Currently most of the budgeted income and expenditure is being spent as planned with a few exceptions.

2. Revenue Outturn 2016-17

- 2.1 The forecast Revenue Outturn for the year is an underspend of £39,588. This is mainly due to savings on fuel for 'Nerissa' of £35,076. There have also been savings of £20,286 due to delays in recruiting and other staff

changes. There has been a saving on rates of £3,608 as the Ramsgate Office has obtained Small Business Rates Relief and Water Rates are reduced. There are forecast overspends in staff recruitment and protective clothing due to new staff and additional insurance at Ramsgate for the RIBs.

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

Budget Heading	Reason for Variation	Amount £
Essex, Research and Tamesis – salaries	Staff changes and delay in recruiting.	-20,286
Ramsgate – Rates	Small Business Rates Relief and Water Rates	-3,608
Essex – Staff Recruitment	Staff recruitment more than anticipated.	3,571
Ramsgate – Insurance	Additional insurance for RIB 'Nereus' as being used without 'Nerissa' and for 'Blue Jacket'	3,530
Ramsgate – Harbour Dues	Increase in harbour fees due to RIBs.	1,340
Ramsgate – Vessels Fuel	Savings on fuel as 'Nerissa' not operational.	-35,076
Authority Costs - Advertising	Decreased advertising costs for byelaws	-2,156
Cockles – Surveys	Summer & December Cockle Surveys not undertaken	12,000
Other items	Other minor adjustments	1097
Total		-£39,588

3. Purchase Cards

3.1 As part of its financial arrangements KEIFCA use a number of KCC's services.

Due to a change in the processing of payments of invoices, KEIFCA were unable to continue to use KCC to process payment of their invoices. The Lloyds business account was updated to allow internet banking and is now used to process all payments (aside from payroll).

One of the other benefits that KEIFCA obtain from KCC is the use of Purchase Cards to allow certain officers the ability to pay for goods when it is not possible to order and arrange for an invoice to be paid by the office.

A drawback of these cards is that certain sites are blocked by KCC where they have designated providers of a particular product. As an example they cannot be used to purchase fuel or stationery. This can cause problems for officers when they attempt to use their card to pay for goods and it is declined. Although KCC

can unblock a site this typically takes two to three days to do and then only allows that transaction to take place before it is blocked again.

Lloyds Bank can provide business charge cards which would resolve this problem, but as we are not a limited company requires the agreement of the Members of the Authority to allow named officers to hold them as part of the application process.

3.2 It is therefore requested that Members agree to the following officers having the use of Business Charge Cards to enable them to make purchases on behalf of Kent & Essex IFCA:

William Wright – Chief Fishery Officer

Dominic Bailey – Assistant Chief Fishery Officer

Benjamin Hermitage – Kent Skipper

Colm O’Laoi – Essex Skipper

Deborah O’Shea – Office Manager

4. Recommendation:

- 4.1 The Authority is asked to review and note the estimated outturn position and to recognise at that it is likely to change throughout the year.
- 4.2 The Authority is asked to consider and approve the proposal to change to Lloyds Bank Business Charge Cards and allow the named Officers to have their use.

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