

From: Bev Gibbs, Financial Advisor, KEIFCA

To: Kent and Essex Inshore Fisheries and Conservation Authority – 30 January 2017.

Subject: Draft Budget Report 2018-19

Classification: Unrestricted

**Summary:**

This report gives the draft budget for the Authority for 2018-2019. The appendices include the draft Revenue Budget, Table of Levies and the Reserves Position for 2018-2019.

**Recommendations:**

1. The Authority is asked to review and agree the budget of £889,600 for the year 2018-2019
2. The Authority is asked to agree the levies shown in Table 1 to the constituent authorities

**1. Draft Outline Budget 2018-19**

1. The Kent and Essex Inshore Fisheries and Conservation Authority (KEIFCA) currently levy on the constituent authorities the sum of £889,600 which is divided between Kent and Essex authorities on the basis contained in the statutory instrument which came into force on 1<sup>st</sup> October 2010 (SI 2010 no. 2190).
2. A 1% pay increase has been allowed for in this budget together with the allowance for career progression. The cost of the 1% increase is approximately £5,565. The salary budget has increased by £40,385 mainly due to the new structure agreed at the September Committee Meeting. This is currently being funded from the General Reserve.
3. The levy has been kept at the same level as 2016-17, at £889,600 as was agreed at the Committee Meeting on 24th January 2014 as part of the Medium Term Plan. The budget for 2017-18 has been allocated in line with the IFCA's

operating plan and all heads of expenditure examined to ensure cost effectiveness and value for money.

4. The budget has been drafted in order to achieve the strategy and annual plan of the IFCA. The detailed revenue budget is set out at Appendix 1.

## 2. Reserves and Capital Plan

1. The budget for 2018-19 includes the use of reserves of £20,950; to support research, £7,100, training, £13,200 and geographical information systems (GIS), £650 and a further £31,533 to support the new staff structure.
2. A further £30,000 will be needed from Reserves to support Nerissa. £30,000 is an amount included for any first year major repairs and adjustments and is line with the amount budgeted for Tamesis in her first year of operation. However, as this was not required for 2017-18 and there are still works that need to be completed, this has been included for 2018-19. The General Reserve is budgeted to be £513,485 at the end of 2018-19.

There is no capital spend budgeted in 2018-19 as both quad bikes and vehicles have been renewed in the current year at a cost of £36,120. The balance on the Renewals Reserve at the start of 2018-19 is anticipated to be £695,571. A comprehensive review of the renewals plan is being undertaken currently and will be presented to the Committee at the May 2018 meeting. The Renewals Reserve balance at the end of 2018-19 is anticipated to be £773,375. This is net of a renewals contribution of £77,804 as budgeted for in the Revenue budget.

3. The Reserves are set out in Appendix 3.

## 3. The Levy

1. Whilst constituent authorities pay the full levy to KEIFCA this is offset by Specific Grant for Inshore Fisheries payable to authorities and the net sum that authorities suffer is shown on lines 19 to 21 of Appendix 2. Members should be aware that the Minister has confirmed that the Specific Grant is to continue at the same level until 2020.
2. The levy, based on the above, for each Authority is shown below and in full at Appendix 2.

**TABLE 1**

| Local Authority | Proposed<br>Levy 2017-18<br>£ |
|-----------------|-------------------------------|
| Kent            | 383,600                       |
| Medway          | 67,200                        |
| Essex           | 383,600                       |
| Thurrock        | 33,700                        |
| Southend-on-Sea | 21,500                        |
| Total           | 889,600                       |

#### **4. Recommendation**

1. The Authority is asked to review and agree the budget of £889,600 for the year 2018-2019
2. The Authority is asked to agree the levies shown in Table 1 to the constituent authorities

#### **5. Contact Details**

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