

From: Chelsea Green, Financial Advisor, KEIFCA

To: Kent and Essex Inshore Fisheries and Conservation Authority – 29 November 2019.

Subject: Revenue Budget Monitoring Report 2019-20

Classification: **Unrestricted**

**Summary:** This report gives the estimated financial outturn position for the Authority based on data at the end of October 2019. Appendix 1 includes the actuals to 31 October 2019 and the revenue outturn forecast for the year with the variance to the budget. The Kent and Essex offices have been combined.

**Recommendation(s):**

1. The Authority is asked to review and approve the forecast underspend for the year of £76,824. This underspend is indicative at the present time and is likely to change throughout the year.
2. The Authority is asked to approve expenditure on items not in the original budget but not causing an overall overspend. These items of expenditure will be reported back to Members at the January meeting.

## **1. Introduction**

1.1 This report shows the likely outturn based upon data at the end of October 2019. Currently most of the budgeted income and expenditure is being spent as planned with a few exceptions. Members will recall that they approved the use of £30,000 from Reserves to fund the anticipated additional costs of Nerissa. At this time, we have adopted a cautious approach in continuing to forecast this potential requirement.

## **2. Revenue Outturn 2019-20**

2.1 The forecast Revenue Outturn for the year is an underspend of £76,824. The majority of this underspend is due to an increase in income from the hire of Nerissa by the MMO, payment for use of Tamesis & officer time for

cockle MSC accreditation, receipt of costs from Court cases and an underspend on specialist fees in relation to research.

2.2 There are several items of expenditure that were going to be in the 2020-21 budget that could be purchased in the current year. This would reduce pressure on 2020-21 budget and, also reduce the forecast underspend for 2019-20.

2.3 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 for Variation</b>	<b>Amount £</b>
Salaries	Savings due to vacant IFCO post for 4 months & secondment to LCO post starting at a lower grade	-5,126
Vessels - Fuel & Oil	Increase in fuel forecast due to the hire of Nerissa by MMO	+3,669
Income – Hire of Vessels & Staff	Payment for use of Tamesis & officer time for cockle MSC accreditation & MMO charter for the hire of Nerissa (to include £15,000 income for charter forecasted at this time)	-43,073
Legal Fees	Forecast reduced as a result of payment of costs from court cases totalling £6,500 received	-7,388
Specialist Fees - Research	Reduction in expected payments to be made in respect of SUMARiS projects	-26,893
Licences and fees	Unbudgeted income in respect of cockle permits for the opening of the outside area	-7,744
Research funds – Contributions and Grants	Reduced spend on SUMARiS project will result in reduced claim for grant income	+10,704
Minor Variances		-973
<b>Total</b>		<b>-£76,824</b>

### **3. Recommendation:**

- 3.1 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.
- 3.2 The Authority is asked to approve expenditure not in the original budget but not causing an overall overspend. These items of expenditure will be reported back to Members at the January meeting.

### **4. Contact Details**

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