

**Consolidated Income and Expenditure:  
1 April to 31 December 2015 Actual and 2015/16 Forecast Outturn**  
Report by Head of Finance

**Summary:** This report provides the Committee with details of the actual income and expenditure for the nine month period to 31 December 2015, and provides a forecast of the projected expenditure at the end of the financial year (31 March 2016).

**Recommendation:** That the report be noted.

**1 Introduction**

1.1 This financial monitoring report summarises details of the forecast outturn and actual expenditure for both National Park and Navigation.

**2 Overview of Actual Income and Expenditure**

Table 1 – Actual Consolidated I&E by Directorate to 31 December 2015

	<b>Profiled Latest Available Budget</b>	<b>Actual Income and Expenditure</b>	<b>Actual Variance</b>
Income	(5,413,458)	(5,374,567)	- 38,891
Operations	2,849,997	2,786,670	+ 63,327
Planning and Resources	2,060,080	1,894,443	+ 165,637
Chief Executive	330,280	348,683	- 18,403
Projects, Corporate Items and Contributions from Earmarked Reserves	(522,120)	(294,414)	- 227,706
<b>Net (Surplus) / Deficit</b>	<b>(695,221)</b>	<b>(639,186)</b>	<b>- 56,035</b>

2.1 Core navigation income is behind of the profiled budget at the end of month nine. The overall position as at 31 December 2015 is an adverse variance of £56,035 or 8.06% difference from the profiled LAB. This is principally due to:

- An overall adverse variance of £33,923 within toll income:
  - Hire Craft Tolls £21,723 below the profiled budget.
  - Private Craft Tolls £5,237 above the profiled budget.
- A favourable variance within Operations budgets relating to:

- Equipment, Vehicle and Vessels is above the profiled budget by £10,290 due to timing differences between the profiled budget and the actual receipt of invoices and the additional income from the Dockyard sale.
- Water Management is above the profiled budget by £25,497 due to the Hydrographic survey being completed ahead of profile.
- Land Management is above the profiled budget by £32,243 due to the change in payment schedule of the HLS income.
- Practical Maintenance is under the profiled budget by £59,643 due to timing differences.
- Ranger Services is under profiled budget by £34,910 due to delayed letting of the new launch contract following changes in the procurement regulations. This is partially offset by the salary overspend relating to unbudgeted unsocial hour payments.
- Asset Management is under profiled budget by £14,517 due to a small number of variances within each budget.
- Premises are under profiled budget by £16,839 due to an underspend within repairs and maintenance.
- A favourable variance within Planning and Resources budgets relating to:
  - Development Management is under profiled budget by £77,192 due to additional income being received for Section 106 agreements.
  - Biodiversity Strategy is above profiled budget by £14,042 due to timing differences on the receipt of income and expenditure.
  - Project Funding is under profiled budget by £29,644 due to savings on an unfilled post and timing differences on the receipt of income and expenditure.
  - Partnerships/HLF is above profiled budget by £17,848 due to a timing difference on the contribution to reserves which had originally been planned for March 2016. This was brought forward to coincide with the start of the development phase.
  - Communications is under profiled budget by £21,412 due to additional income being received and the delayed branding expenditure.
  - Visitor Centres and Yacht Stations is under profiled budget by £21,353 due to variances within income and expenditure.
  - ICT is under profiled budget by £29,768 due to delays on the infrastructure and DMS projects. The DMS project will be carried forward to 2016/17.
  - Planning and Resources Management and Administration is under profiled budget by £15,006 due to timing differences.
- An adverse variance within Chief Executive budgets relating to:
  - Legal budget is above profiled budget by £20,128 due to additional legal costs.
- An adverse variance within Projects, Corporate Items and Contributions from Earmarked reserves. This relates entirely to expenditure from Earmarked reserves:
  - Planning Delivery Grant reserve is behind profile by £43,196 due to the delayed DMS expenditure and profiled differences on the Local and Broads Plan expenditure. The variance on these is due to

continue to the end of the year with the balance being transferred to 2016/17 contribution from reserves.

- Property reserve is behind profiled expenditure by £47,669 due to delayed expenditure on Mutford Lock repairs.
- Plant, Vessels and Equipment reserve is behind profiled expenditure due to delayed billing for the 3<sup>rd</sup> Wherry and the delayed letting of the launch tender. This variance has been further increased due to the Wherry contract coming in under the original budget. This has resulted in an overall variance of £70,352. The variance on these is due to continue to the end of the year with the balance being transferred to 2016/17 contribution from reserves
- The Section 106 agreement reserve did not have a budget set as it is difficult to predict when these agreements will arise; this has resulted in a variance of £59,805.

2.2 The charts at Appendix 1 provide a visual overview of actual income and expenditure compared with both the original budget and the LAB.

### 3 Latest Available Budget

3.1 The Authority's income and expenditure is being monitored against the latest available budget (LAB) in 2015/16. The LAB is based on the original budget for the year, with adjustments for known and approved budget changes such as carry-forwards and budget virements. Details of the movements from the original budget are set out in Appendix 2.

Table 2 – Adjustments to Consolidated LAB

	Ref	£
Original budget 2015/16 – surplus	Item 12 23/01/15 (BA)	(139,421)
Approved budget carry-forwards	10/07/15 Item 11 (BA)	54,337
Additional Budget for Hickling	25/09/15 Item 8 & 13 (BA)	21,000
<b>LAB at 31 December 2015 – surplus</b>		<b>(64,084)</b>

3.2 Taking account of the budget adjustments, the LAB therefore provides for a consolidated surplus of £64,084 in 2015/16 as at 31 December 2015.

### 4 Overview of Forecast Outturn 2015/16

4.1 Budget holders have been asked to comment on the expected expenditure at the end of the financial year in respect of all the budget lines for which they are responsible. These forecast outturn figures should be seen as estimates and they will be refined and clarified through the financial year.

4.2 As at the end of December 2015, the forecast outturn indicates:

- The total forecast income is £6,208,639, or £31,993 behind the LAB.
- Total expenditure is forecast to be £6,191,556.
- The resulting surplus for the year is forecast to be £17,083.

4.3 The forecast outturn expenditure takes account of adjustments to the LAB and in addition reflects the changes shown in Table 3. The forecast surplus represents an adverse variance of £47,001 against the LAB.

Table 3 – Adjustments to Forecast Outturn

Item	£
<b>Forecast outturn surplus reported to FSAC 22/09/15</b>	<b>(47,479)</b>
Adjustments reported to BA 20/11/15	30,360
Adjustments reported to BA 22/01/16	1,036
Increase in Land Management income from Forestry Commission grant	(1,000)
<b>Forecast outturn surplus as at 31 December 2015</b>	<b>(17,083)</b>

4.4 The main reason for the difference between the forecast outturn and the LAB is the change in predictions for navigation toll income and interest, which are based on the latest actual income figures and show a net overall decrease of £31,993 in forecast toll and interest income for the year. The increase in the legal fees has also further reduced the forecast.

## 5 Reserves

Table 4 – Consolidated Earmarked Reserves

	Balance at 1 April 2015	In-year movements	Current reserve balance
	£	£	£
Property	(586,757)	186,101	(400,656)
Plant, Vessels and Equipment	(240,790)	107,498	(133,292)
Premises	(169,930)	(22,500)	(192,430)
Planning Delivery Grant	(353,676)	43,554	(310,122)
Mobile Phone Upgrade	(469)	469	-
Upper Thurne Enhancement	(53,285)	-	(53,285)
Section 106	(16,652)	(59,805)	(76,457)
PRISMA	(171,869)	6,671	(165,198)
Heritage Lottery	-	(32,152)	(32,152)

Fund			
<b>Total</b>	<b>(1,593,427)</b>	<b>229,835</b>	<b>(1,363,592)</b>

5.2 £699,394 of the current reserve balance relates to navigation reserves.

## 6 Summary

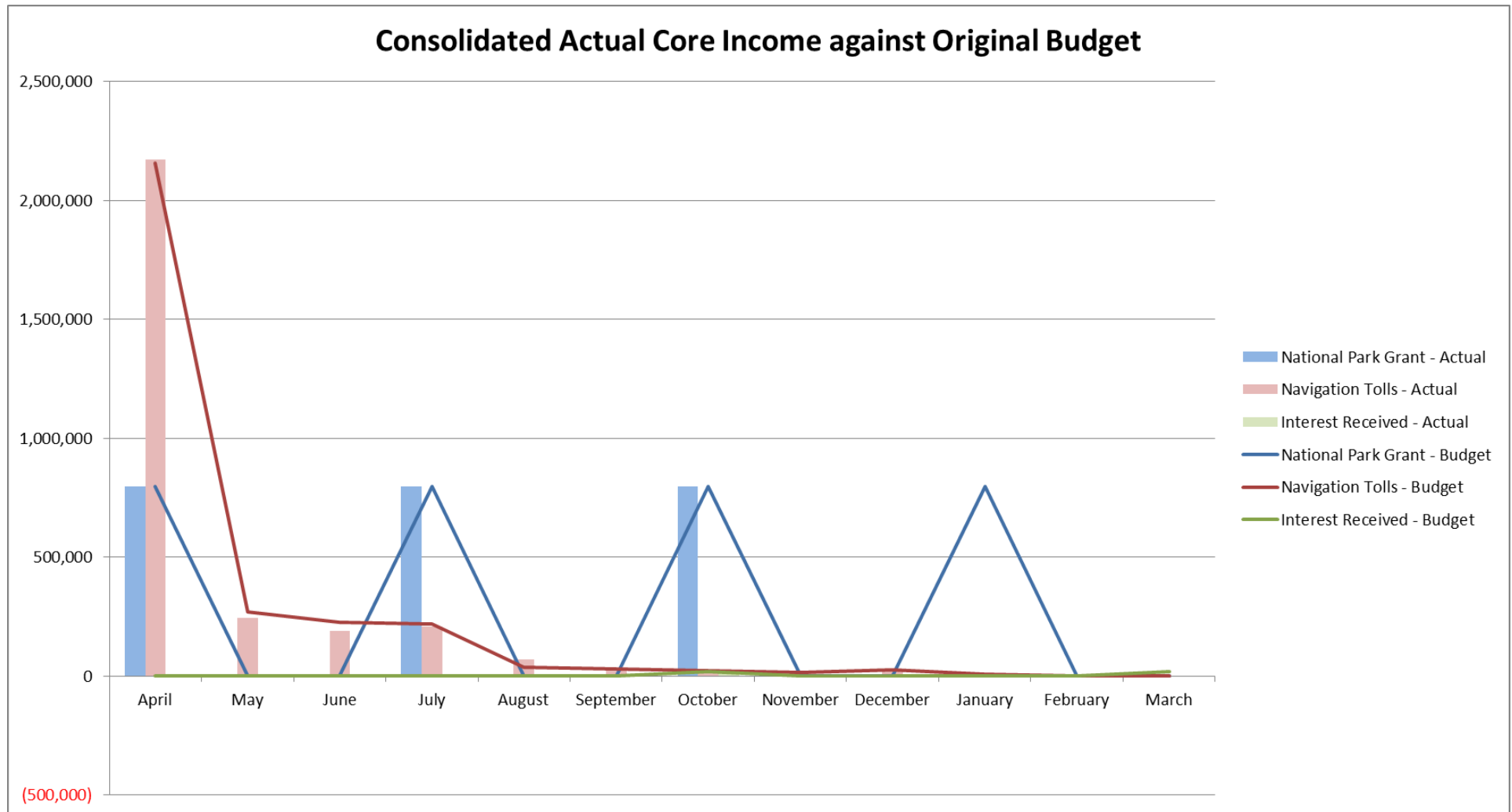
6.1 The current forecast outturn position for the year suggests a surplus of £24,062 for the national park side and a deficit of £6,979 on navigation resulting in an overall surplus of £17,083 within the consolidated budget, which would indicate a general fund reserve balance before year-end adjustments of approximately £977,519 and a navigation reserve balance of approximately £273,159 at the end of 2015/16. This will mean that the navigation reserve will fall below the recommended level of 10% of net expenditure to 9.1% during 2015/16. Year-end transfers mean that the navigation reserve will fall below the 9%.

Background papers: None

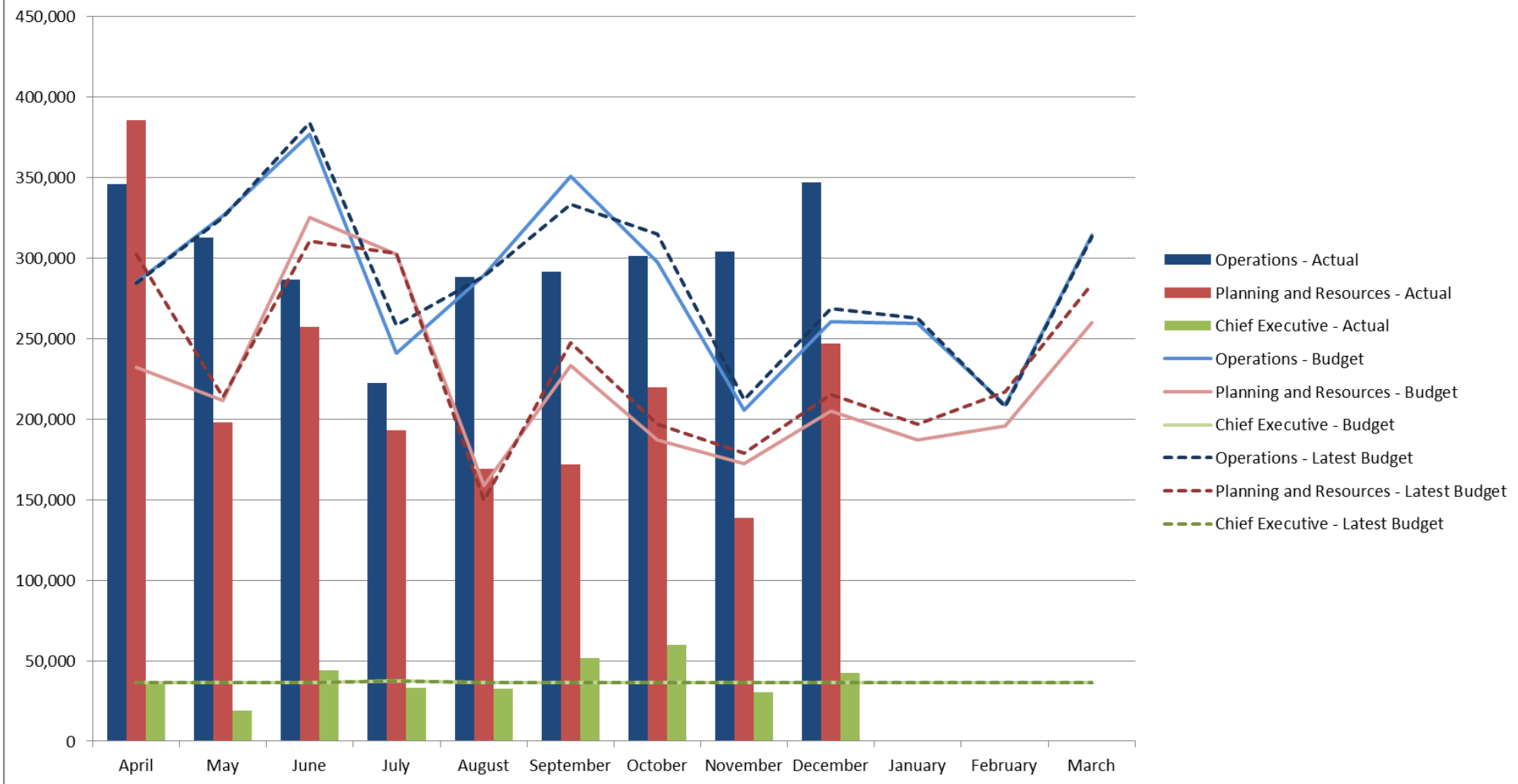
Author: Emma Krelle  
Date of report: 26 January 2016

Broads Plan Objectives: None

Appendices: APPENDIX 1 – Consolidated Actual Income and Expenditure Charts to 31 December 2015  
APPENDIX 2: Financial Monitor: Consolidated Income and Expenditure 2015/16



### Consolidated Net Actual Expenditure against Original and Latest Budget



To 31 December 2015

Budget Holder (All)

Values					
Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Income	(6,240,632)		(6,240,632)	(6,208,639)	-31,993
National Park Grant	(3,188,952)		(3,188,952)	(3,188,952)	0
Income	(3,188,952)		(3,188,952)	(3,188,952)	0
Hire Craft Tolls	(1,090,525)		(1,090,525)	(1,068,689)	-21,836
Income	(1,090,525)		(1,090,525)	(1,068,689)	-21,836
Private Craft Tolls	(1,869,042)		(1,869,042)	(1,873,885)	4,843
Income	(1,869,042)		(1,869,042)	(1,873,885)	4,843
Short Visit Tolls	(38,363)		(38,363)	(38,363)	0
Income	(38,363)		(38,363)	(38,363)	0
Other Toll Income	(18,750)		(18,750)	(18,750)	0
Income	(18,750)		(18,750)	(18,750)	0
Interest	(35,000)		(35,000)	(20,000)	-15,000
Income	(35,000)		(35,000)	(20,000)	-15,000
Operations	3,509,581	146,470	3,656,051	3,566,964	89,087
Construction and Maintenance Salaries	1,088,740		1,088,740	1,097,740	-9,000
Salaries	1,088,740		1,088,740	1,097,740	-9,000
Expenditure			0		0
Equipment, Vehicles & Vessels	631,500	12,300	643,800	607,130	36,670
Income			0		0
Expenditure	631,500	12,300	643,800	607,130	36,670
Water Management	172,500	56,950	229,450	229,450	0
Income			0		0
Expenditure	172,500	56,950	229,450	229,450	0
Land Management	(36,000)		(36,000)	(40,600)	4,600
Income	(90,000)		(90,000)	(98,000)	8,000
Expenditure	54,000		54,000	57,400	-3,400



Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Practical Maintenance	459,200	77,220	536,420	501,420	35,000
Income	(7,000)		(7,000)	(7,000)	0
Expenditure	466,200	77,220	543,420	508,420	35,000
Ranger Services	736,910		736,910	715,093	21,817
Income	(35,000)		(35,000)	(35,000)	0
Salaries	578,910		578,910	578,910	0
Expenditure	193,000		193,000	171,183	21,817
Pension Payments			0		0
Safety	82,918		82,918	82,918	0
Income	(9,000)		(9,000)	(9,000)	0
Salaries	57,918		57,918	57,918	0
Expenditure	34,000		34,000	34,000	0
Asset Management	108,780		108,780	108,780	0
Income	(1,000)		(1,000)	(1,000)	0
Salaries	39,030		39,030	39,030	0
Expenditure	70,750		70,750	70,750	0
Premises	137,503		137,503	137,503	0
Income	(10,667)		(10,667)	(10,667)	0
Expenditure	148,170		148,170	148,170	0
Operations Management and Administration	127,530		127,530	127,530	0
Income			0		0
Salaries	115,030		115,030	115,030	0
Expenditure	12,500		12,500	12,500	0
Planning and Resources	2,576,090	167,337	2,743,427	2,667,448	75,979
Development Management	241,882	20,000	261,882	241,620	20,262
Income	(60,000)		(60,000)	(72,762)	12,762
Salaries	276,882		276,882	269,382	7,500
Expenditure	25,000	20,000	45,000	45,000	0
Pension Payments			0		0
Strategy and Projects Salaries	194,380	76,000	270,380	232,380	38,000
Income	(32,500)	18,000	(14,500)	(14,500)	0

Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Salaries	204,880	0	204,880	204,880	0
Expenditure	22,000	58,000	80,000	42,000	38,000
Biodiversity Strategy	0	2,300	2,300	2,300	0
Income	(10,000)		(10,000)	(10,000)	0
Expenditure	10,000	2,300	12,300	12,300	0
Strategy and Projects	69,780	14,037	83,817	87,948	-4,131
Income	0	(18,000)	(18,000)	(18,000)	0
Salaries	36,280	22,037	58,317	65,448	-7,131
Expenditure	33,500	10,000	43,500	40,500	3,000
Waterways and Recreation Strategy	77,820		77,820	82,953	-5,133
Salaries	68,320		68,320	68,320	0
Expenditure	9,500		9,500	14,633	-5,133
Project Funding	147,060		147,060	147,060	0
Income	(19,000)		(19,000)	(19,000)	0
Salaries	41,560		41,560	41,560	0
Expenditure	124,500		124,500	124,500	0
Pension Payments			0		0
Partnerships / HLF	50,000		50,000	50,000	0
Income			0		0
Expenditure	50,000		50,000	50,000	0
Volunteers	64,670		64,670	64,670	0
Income	(1,000)		(1,000)	(1,000)	0
Salaries	43,670		43,670	43,670	0
Expenditure	22,000		22,000	22,000	0
Finance and Insurance	330,920		330,920	330,920	0
Income			0		0
Salaries	130,920		130,920	130,920	0
Expenditure	200,000		200,000	200,000	0
Communications	259,830	25,000	284,830	279,830	5,000
Income			0		0
Salaries	187,830		187,830	187,830	0

Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Expenditure	72,000	25,000	97,000	92,000	5,000
Visitor Centres and Yacht Stations	240,520		240,520	240,520	0
Income	(218,000)		(218,000)	(218,000)	0
Salaries	326,520		326,520	326,520	0
Expenditure	132,000		132,000	132,000	0
Collection of Tolls	116,740		116,740	116,740	0
Salaries	104,040		104,040	104,040	0
Expenditure	12,700		12,700	12,700	0
ICT	289,380	30,000	319,380	297,399	21,981
Salaries	132,680		132,680	135,386	-2,706
Expenditure	156,700	30,000	186,700	162,013	24,687
Premises - Head Office	254,548		254,548	254,548	0
Expenditure	254,548		254,548	254,548	0
Planning and Resources Management and Administration	238,560		238,560	238,560	0
Income			0		0
Salaries	128,360		128,360	128,360	0
Expenditure	110,200		110,200	110,200	0
Chief Executive	440,040		440,040	460,940	-20,900
Human Resources	111,530		111,530	112,430	-900
Income			0		0
Salaries	52,030		52,030	52,930	-900
Expenditure	59,500		59,500	59,500	0
Legal	107,260		107,260	127,260	-20,000
Income			0		0
Salaries	47,260		47,260	47,260	0
Expenditure	60,000		60,000	80,000	-20,000
Governance	119,790		119,790	119,790	0
Salaries	65,590		65,590	65,590	0
Expenditure	54,200		54,200	54,200	0
Chief Executive	101,460		101,460	101,460	0
Salaries	101,460		101,460	101,460	0

Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Expenditure			0		0
Projects and Corporate Items	112,000		112,000	112,000	0
PRISMA			0		0
Expenditure			0		0
Corporate Items	112,000		112,000	112,000	0
Pension Payments	112,000		112,000	112,000	0
Contributions from Earmarked Reserves	(536,500)	(238,470)	(774,970)	(615,796)	-159,174
Earmarked Reserves	(536,500)	(238,470)	(774,970)	(615,796)	-159,174
Expenditure	(536,500)	(238,470)	(774,970)	(615,796)	-159,174
<b>Grand Total</b>	<b>(139,421)</b>	<b>75,337</b>	<b>(64,084)</b>	<b>(17,083)</b>	<b>-47,001</b>