

**Consolidated Income and Expenditure:  
1 April to 31 October 2018 Actual and 2018/19 Forecast Outturn**

Report by Chief Financial Officer

<b>Summary:</b>	This report provides the Committee with details of the actual income and expenditure for the seven month period to 31 October 2018, and provides a forecast of the projected expenditure at the end of the financial year (31 March 2019).
<b>Recommendation:</b>	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 October 2018

	<b>Profiled Latest Available Budget</b>	<b>Actual Income and Expenditure</b>	<b>Actual Variance</b>
Income	(5,799,993)	(5,809,088)	+ 9,095
Operations	2,190,315	2,153,942	+ 36,374
Strategic Services	1,327,813	1,213,708	+ 114,105
Chief Executive	769,970	752,203	+ 17,767
Projects, Corporate Items and Contributions from Earmarked Reserves	74,400	48,369	+ 26,031
<b>Net (Surplus) / Deficit</b>	<b>(1,437,495)</b>	<b>(1,640,867)</b>	<b>+ 203,372</b>

2.1. Core navigation income is above of the profiled budget at the end of month seven. The overall position as at 31 October 2018 is a favourable variance of £203,372 or 14.15% difference from the profiled LAB. This is principally due to:

- An overall favourable variance of £9,095 within toll income:
  - Hire Craft Tolls £9,929 above the profiled budget.
  - Private Craft Tolls £878 below the profiled budget.
- A favourable variance within Operations budgets relating to:

- Equipment, Vehicles and Vessels is over the profiled budget by £22,254 due to a number of repairs being completed ahead of profile.
- Ranger Services is under the profiled budget by £20,137 due to timing differences on the profile originally set.
- A favourable variance within Strategic Services budgets relating to:
  - Development Management is under profiled budget by £50,100 due to additional income from the increased fees and salary savings. The income forecast has been adjusted and the salary savings will decrease through the use of a contractor.
  - Strategy and Projects Salaries is over profiled budget by £10,028 due to a salary being funded from the Catchment reserve.
  - Human Resources is under profiled budget by £16,185 due to a reimbursement of staff training following an individual leaving the Authority and salary savings following a vacancy which has now been filled.
  - Project Funding is under profiled budget by £25,698 due to timing differences.
  - Communications is behind profiled budget by £15,473 due to the Discover England funding being received up front with the corresponding expenditure being invoiced in instalments.
- A favourable variance within Chief Executive budgets relating to:
  - Asset Management is under budget by £20,539 due to timing differences.
  - Finance and Insurance is over budget by £10,664 due to higher insurance premiums. The forecast has been adjusted to reflect this.
- A favourable variance within Reserves relating to the Catchment Partnership, this offsets the Strategies and Projects Salaries adverse variance above.

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 a latest available budget (LAB) in 2018/19. 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 2018/19 – deficit	Item 1 26/01/18 (BA)	72,430
Approved budget carry-forwards	Item 12 18/05/18 (BA)	1,558
<b>LAB at 31 October 2018 – deficit</b>		<b>73,988</b>

#### 4. Overview of Forecast Outturn 2018/19

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. A summary of these adjustments are given in the table below.

Table 3 – Adjustments to Forecast Outturn

Item	£
<b>Forecast outturn deficit per LAB</b>	<b>73,988</b>
Increase to Hire Craft Income	(9,929)
Decrease to Private Craft Income	2,369
Increase to Interest Income due to interest rate rise	(15,000)
Increase to Construction & Maintenance Salaries Income following insurance claim reimbursement for Horace	(2,930)
Increase to Planning Fees	(11,000)
Increase to Staff Training Income following employee reimbursement	(5,250)
Decrease to Collection of Tolls Salaries following a shorter seasonal contract	(9,280)
Decrease to Asset Management expenditure to reflect savings on land based leases	(2,025)
Increase to Finance and Insurance expenditure to reflect increased premiums	12,300
<b>Forecast outturn deficit as at 31 October 2018</b>	<b>33,243</b>

4.2. This represents a favourable variance of £40,745 between the forecast outturn and the LAB. This is a result of additional income and savings within expenditure.

#### 5. Reserves

Table 4 – Consolidated Earmarked Reserves

	Balance at 1 April 2018	In-year movements	Current reserve balance
	£	£	£
Property	(479,194)	(68,462)	(547,656)
Plant, Vessels and Equipment	(202,154)	(79,166)	(281,320)
Premises	(148,424)	(49,744)	(198,168)
Planning Delivery Grant	(227,176)	0	(227,176)
Upper Thurne Enhancement	(100,175)	(19,000)	(119,175)
Section 106	(102,250)	0	(102,250)

Heritage Lottery Fund	(113,519)	138,698	25,179
Catchment Partnership	(99,481)	27,028	(72,452)
CANAPE	(72,259)	34,279	(37,979)
Computer Software	(40,307)	0	(40,307)
<b>Total</b>	<b>(1,584,939)</b>	<b>(16,366)</b>	<b>(1,601,305)</b>

5.1. £715,435 of the current reserve balance relates to navigation reserves.

## 6. Summary

6.1. The current forecast outturn position for the year suggests a deficit of £52,951 for the national park side and a surplus of £19,708 on navigation resulting in an overall deficit of £33,243 within the consolidated budget, which would indicate a general fund reserve balance of approximately £1,058,000 and a navigation reserve balance of approximately £387,000 at the end of 2018/19 before any transfers for interest. This will mean that the navigation reserve will be above the recommended level of 10% of net expenditure during 2018/19.

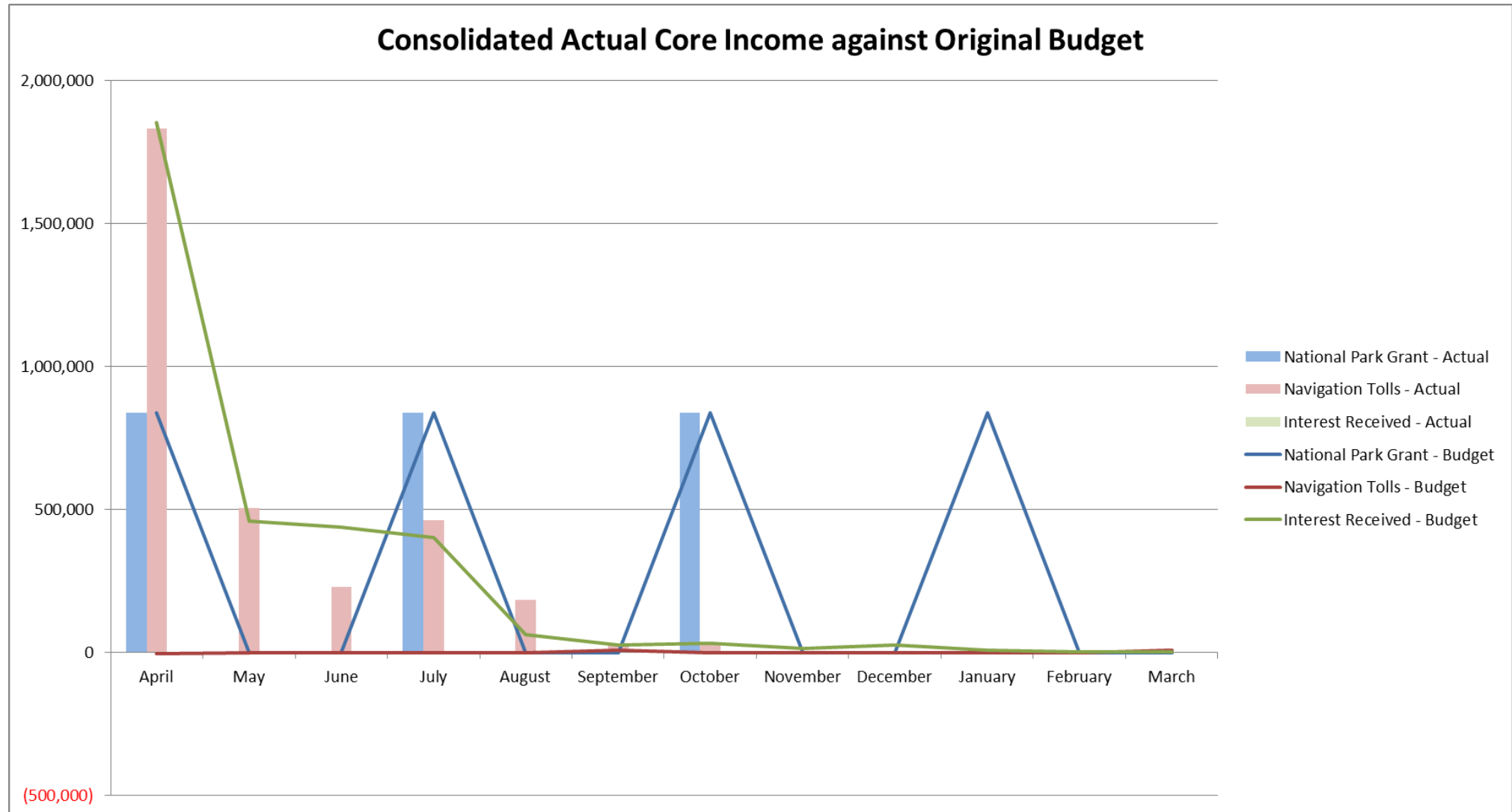
Background papers: None

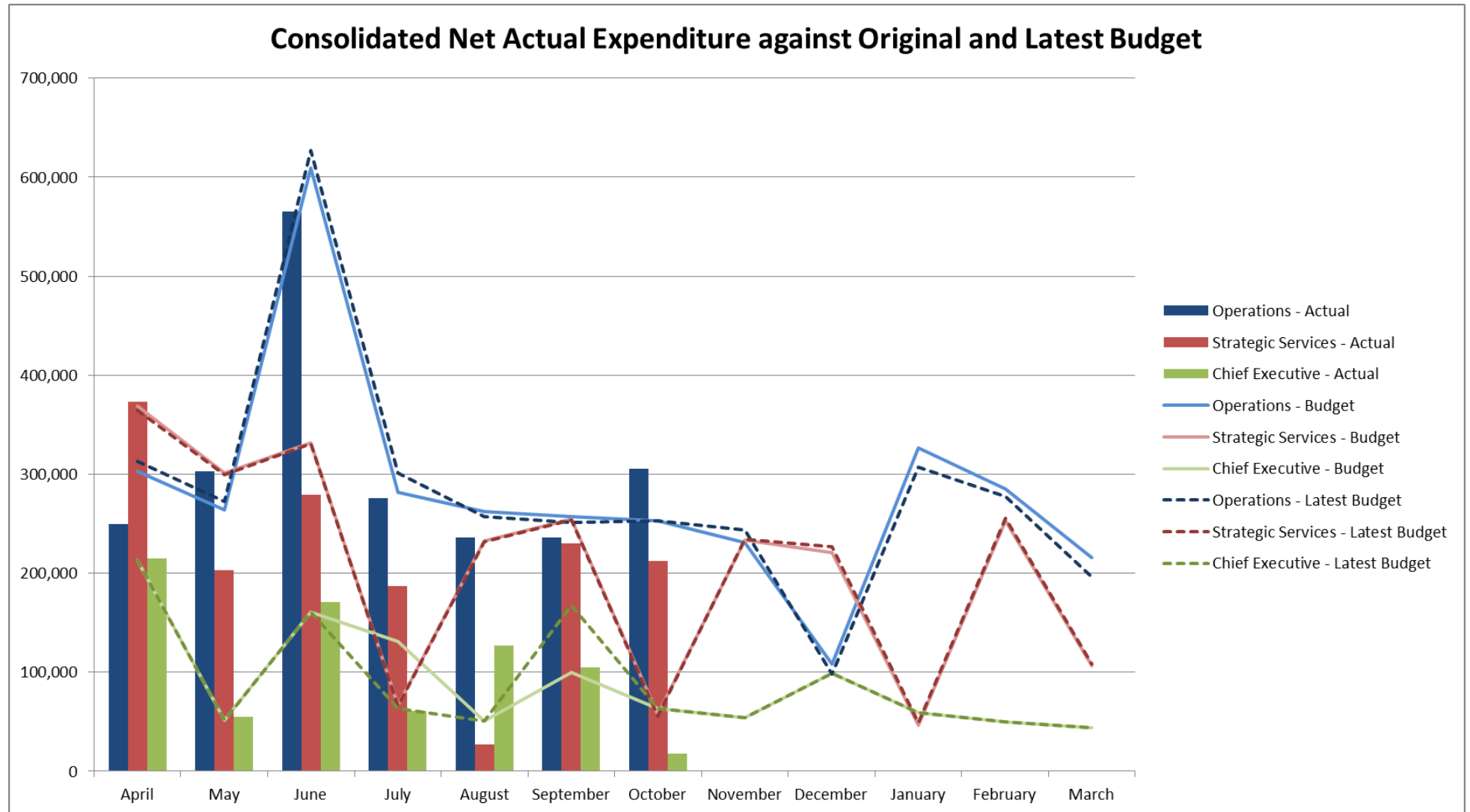
Author: Emma Krelle  
Date of report: 21 November 2018

Broads Plan Objectives: None

Appendices: APPENDIX 1 – Consolidated Actual Income and Expenditure Charts to 31 October 2018

APPENDIX 2: Financial Monitor: Consolidated Income and Expenditure 2018/19





To 31 October 2018

Budget Holder

(All)

Values					
Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Income	(6,702,148)		(6,702,148)	(6,724,708)	22,560
National Park Grant	(3,356,348)		(3,356,348)	(3,356,348)	0
Income	(3,356,348)		(3,356,348)	(3,356,348)	0
Hire Craft Tolls	(1,149,300)		(1,149,300)	(1,159,229)	9,929
Income	(1,149,300)		(1,149,300)	(1,159,229)	9,929
Private Craft Tolls	(2,121,800)		(2,121,800)	(2,119,431)	-2,369
Income	(2,121,800)		(2,121,800)	(2,119,431)	-2,369
Short Visit Tolls	(40,900)		(40,900)	(40,900)	0
Income	(40,900)		(40,900)	(40,900)	0
Other Toll Income	(18,800)		(18,800)	(18,800)	0
Income	(18,800)		(18,800)	(18,800)	0
Interest	(15,000)		(15,000)	(30,000)	15,000
Income	(15,000)		(15,000)	(30,000)	15,000
Operations	3,501,440	24,200	3,525,640	3,522,710	2,930
Construction and Maintenance Salaries	1,184,010	0	1,184,010	1,181,080	2,930
Income	(4,530)		(4,530)	(7,460)	2,930
Salaries	1,188,540	0	1,188,540	1,188,540	0
Expenditure			0		0
Equipment, Vehicles & Vessels	451,500	0	451,500	451,500	0
Income			0		0
Expenditure	451,500	0	451,500	451,500	0
Water Management	103,000		103,000	103,000	0
Income			0		0
Expenditure	103,000		103,000	103,000	0
Land Management	(36,000)		(36,000)	(36,000)	0

Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Income	(90,000)		(90,000)	(90,000)	0
Expenditure	54,000		54,000	54,000	0
Practical Maintenance	493,700		493,700	493,700	0
Income	(10,500)		(10,500)	(10,500)	0
Expenditure	504,200		504,200	504,200	0
Ranger Services	739,060		739,060	739,060	0
Income	(131,020)		(131,020)	(131,020)	0
Salaries	674,180		674,180	674,180	0
Expenditure	195,900		195,900	195,900	0
Pension Payments			0		0
Safety	160,390		160,390	160,390	0
Income	(2,000)		(2,000)	(2,000)	0
Salaries	61,290		61,290	61,290	0
Expenditure	101,100		101,100	101,100	0
Volunteers	75,350		75,350	75,350	0
Income	(1,000)		(1,000)	(1,000)	0
Salaries	50,450		50,450	50,450	0
Expenditure	25,900		25,900	25,900	0
Premises	208,170	24,200	232,370	232,370	0
Income			0		0
Expenditure	208,170	24,200	232,370	232,370	0
Operations Management and Administration	122,260		122,260	122,260	0
Income	(2,360)		(2,360)	(2,360)	0
Salaries	112,120		112,120	112,120	0
Expenditure	12,500		12,500	12,500	0
Strategic Services	2,207,620	1,558	2,209,178	2,197,108	12,070
Development Management	402,805		402,805	391,805	11,000
Income	(80,000)		(80,000)	(91,000)	11,000
Salaries	368,880		368,880	368,880	0
Expenditure	113,925		113,925	113,925	0



Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Pension Payments			0		0
Strategy and Projects Salaries	296,440		296,440	309,900	-13,460
Income	(31,460)		(31,460)	(31,460)	0
Salaries	259,400		259,400	259,400	0
Expenditure	68,500		68,500	81,960	-13,460
Biodiversity Strategy	10,000		10,000	10,000	0
Income			0		0
Expenditure	10,000		10,000	10,000	0
Human Resources	134,710	1,558	136,268	131,018	5,250
Income	0		0	(5,250)	5,250
Salaries	75,210		75,210	75,210	0
Expenditure	59,500	1,558	61,058	61,058	0
Waterways and Recreation Strategy	87,480		87,480	87,480	0
Salaries	77,980		77,980	77,980	0
Expenditure	9,500		9,500	9,500	0
Project Funding	105,500		105,500	105,500	0
Expenditure	105,500		105,500	105,500	0
Pension Payments			0		0
Communications	302,030		302,030	302,030	0
Income	(6,150)		(6,150)	(6,150)	0
Salaries	233,680		233,680	233,680	0
Expenditure	74,500		74,500	74,500	0
Visitor Centres and Yacht Stations	208,710		208,710	208,710	0
Income	(237,500)		(237,500)	(237,500)	0
Salaries	314,210		314,210	314,210	0
Expenditure	132,000		132,000	132,000	0
Collection of Tolls	134,180		134,180	124,900	9,280
Salaries	121,480		121,480	112,200	9,280
Expenditure	12,700		12,700	12,700	0
ICT	308,890		308,890	308,890	0

Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Salaries	188,440		188,440	188,440	0
Expenditure	120,450		120,450	120,450	0
Strategic Services Management and Administration	216,875		216,875	216,875	0
Income	(730)		(730)	(730)	0
Salaries	142,740		142,740	142,740	0
Expenditure	74,865		74,865	74,865	0
Chief Executive	1,076,443		1,076,443	1,086,718	-10,275
Legal	108,670		108,670	108,670	0
Income	(510)		(510)	(510)	0
Salaries	49,180		49,180	49,180	0
Expenditure	60,000		60,000	60,000	0
Governance	124,750		124,750	124,750	0
Salaries	72,850		72,850	72,850	0
Expenditure	51,900		51,900	51,900	0
Chief Executive	112,090		112,090	112,090	0
Salaries	112,090		112,090	112,090	0
Expenditure			0		0
Asset Management	115,080		115,080	113,055	2,025
Income	(22,000)		(22,000)	(22,000)	0
Salaries	47,330		47,330	47,330	0
Expenditure	89,750		89,750	87,725	2,025
Finance and Insurance	362,160		362,160	374,460	-12,300
Income	(5,930)		(5,930)	(5,930)	0
Salaries	154,090		154,090	154,090	0
Expenditure	214,000		214,000	226,300	-12,300
Premises - Head Office	253,693		253,693	253,693	0
Income			0		0
Expenditure	253,693		253,693	253,693	0
Projects and Corporate Items	216,707		216,707	216,707	0
Partnerships / HLF	138,207		138,207	138,207	0

Row Labels	Original Budget (Consolidated)	Budget Adjustments (Consolidated)	Latest Available Budget (Consolidated)	Forecast Outturn (Consolidated)	Forecast Outturn Variance (Consolidated)
Income	(1,182,118)		(1,182,118)	(1,182,118)	0
Salaries	169,940		169,940	169,940	0
Expenditure	1,150,385		1,150,385	1,150,385	0
Corporate Items	78,500		78,500	78,500	0
Expenditure	2,500		2,500	2,500	0
Pension Payments	76,000		76,000	76,000	0
Contributions from Earmarked Reserves	(227,632)	(24,200)	(251,832)	(265,292)	13,460
Earmarked Reserves	(227,632)	(24,200)	(251,832)	(265,292)	13,460
Expenditure	(227,632)	(24,200)	(251,832)	(265,292)	13,460
<b>Grand Total</b>	<b>72,430</b>	<b>1,558</b>	<b>73,988</b>	<b>33,243</b>	<b>40,745</b>