

**Navigation Income and Expenditure:
1 April to 28 February 2015 Actual and 2014/15 Forecast Outturn
Report by Head of Finance**

Summary: This report provides the Committee with details of the actual navigation income and expenditure for the eleven month period to 28 February 2015, and provides a forecast of the projected expenditure at the end of the financial year (31 March 2015).

Overall income is in line with the original budget though there has been a difference between hire boat and private income, the former down by nearly £45,000 and the later up by over £41,000. For expenditure it is forecast to be £8,717 below the latest available budget, though within this operational expenditure has been above budget and Planning and Resources below the latest available budget.

1 Overview of Actual Income and Expenditure

- 1.1 This financial monitoring report summarises details of the forecast outturn and actual expenditure for navigation.

Table 1 – Actual Navigation I&E by Directorate to 28 February 2015

	Profiled Latest Available Budget	Actual Income and Expenditure	Actual Variance
Income	(2,970,049)	(2,968,852)	-1,197
Operations	1,651,733	1,710,402	-58,669
Planning and Resources	750,867	653,032	+97,834
Chief Executive	138,496	136,168	+2,327
Projects, Corporate Items and Contributions from Earmarked Reserves	0	21,293	-21,293
Net (Surplus) / Deficit	(428,953)	(447,957)	+19,003

- 1.2 Core navigation income is slightly behind the profiled budget at the end of month eleven. The overall position as at 28 February 2015 is a favourable variance of £19,003 or 4.43% difference from the profiled LAB. This represents a decrease against the adverse variance of £17,893 reported for November. The February position is principally due to:

- An overall adverse variance of £1,246 within toll income:
 - Hire Craft Tolls £44,837 below the profiled budget.
 - Private Craft Tolls £41,072 above the profiled budget.

At the end of the financial year it is currently anticipated that the net position on Tolls will be broadly in line with the total budget (with Private Tolls up and Hire Tolls down), and this position has been reflected in forecast outturn figures.

- The Operations budget has moved to an overspend position, once contributions from reserves (£35,075 in relation to construction of a second wherry, and income of £24,360 for the sale of the Thurne and Barton launch) have been taken into account. There is in particular now an overspend of approximately £29,860 in the Equipment, Vehicles and Vessels budget due mainly to timing differences in repairs and maintenance expenditure. The Ranger budget has also moved into an overspend position of £41,141 due to reorganisation costs. This is offset by an underspend of £23,761 within Water Management where contractor work has been delayed on Upper Bure stabilisation works. This is likely to result in a carry-forward request for 2015/16. Expenditure remains slightly over profile in Safety, Asset Management and Operational Premises budgets.
- There is a underspend within Planning and Resources budgets though this principally relates to timing issues:
 - Finance, insurance and audit underspends (£16,405) which are mainly due to timing differences;
 - Yacht Station and Visitor Centre underspends (£15,814), relating to income being over the profiled budget as a result of changes in the range of products offered for sale and expenditure being behind as a result of timing differences;
 - ICT budget underspend (£13,694) which is mainly due to capacity issues within the department and is likely to result in a carry-forward request for 2015/16;
 - Legal budget underspend (£28,345) due to delayed and lower than budgeted invoicing;
 - Planning Management and Admin underspend (£10,778) due largely to underspends on office expenses including postage and photocopiers.

- 1.3 Expenditure within the individual directorate lines is partly offset by contributions from reserves (within the *Projects, Corporate Items and Contributions from Earmarked Reserves* line in Table 1). The charts at Appendix 1 provide a visual overview of actual income and expenditure compared with both the original budget and the LAB. There have been no changes to the Latest Available Budget since the last report.

2 Overview of Forecast Outturn 2014/15

2.1 Budget holders have been asked to comment on the expected expenditure at the end of the financial year in respect of all budget lines for which they are responsible. As at the end of February 2015, the forecast outturn indicates:

- The total forecast income is £2,973,961, or £7,910 less than the LAB.
- Total expenditure is forecast to be £2,957,796.
- The resulting surplus for the year is forecast to be £16,166.

2.2 The main reasons for the difference between the last forecast outturn reported and the LAB are reduced expenditure on legal advice of £27,000 and reduced income from the administration of the Boat Safety Scheme of £8,000:

3 Reserves

3.1 The balance of navigation earmarked reserves at the end of February 2015 is shown in Table 2 below.

Table 2 – Navigation Earmarked Reserves

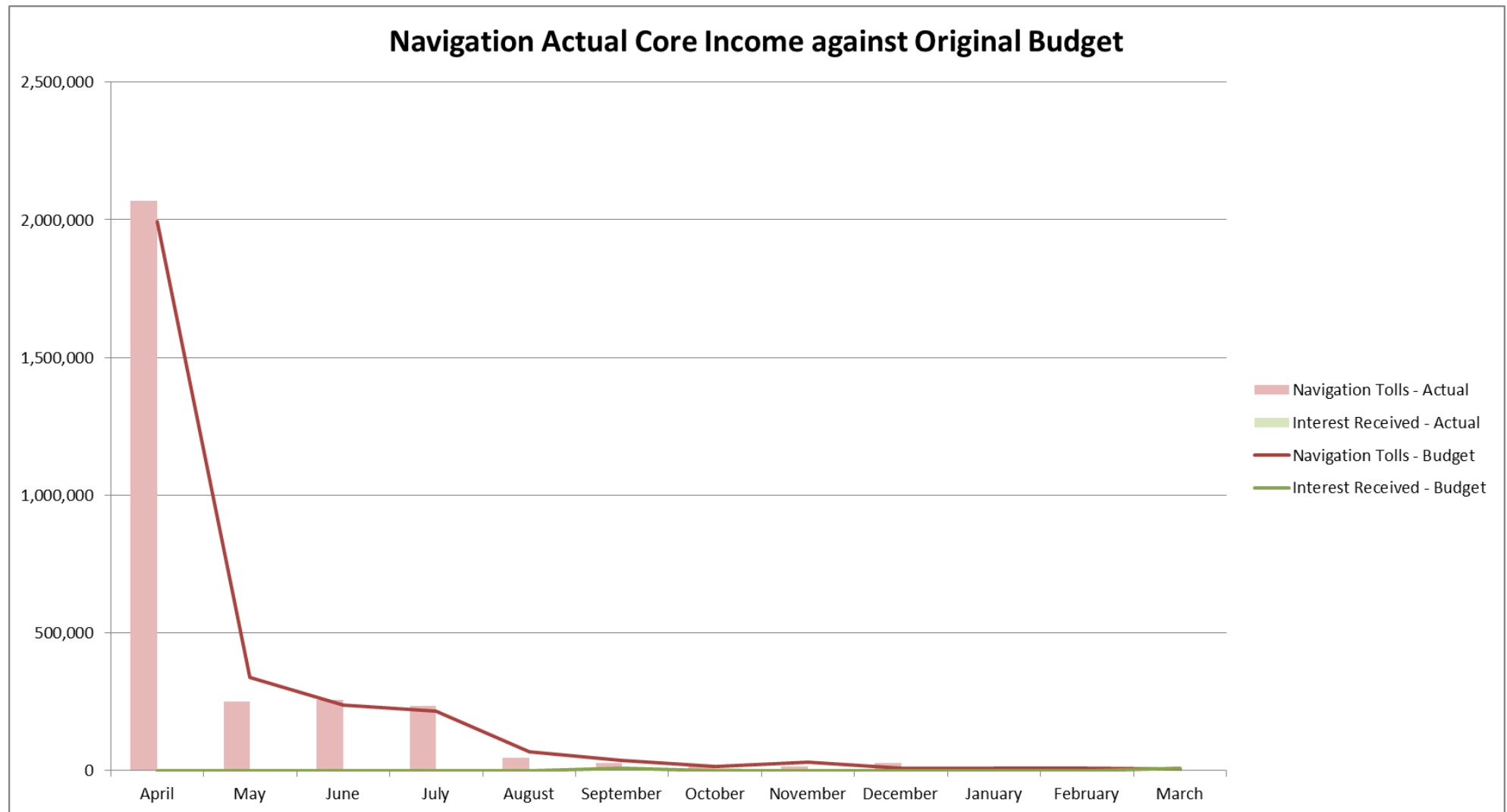
	Balance at 1 April 2014	In-year movements	Current reserve balance
	£	£	£
Property	492,020	13,517	505,537
Plant, Vessels and Equipment	139,857	57,885	197,742
Premises	59,994	13,500	73,494
PRISMA	244,954	(167,147)	77,807
Total	936,824	(82,245)	854,579

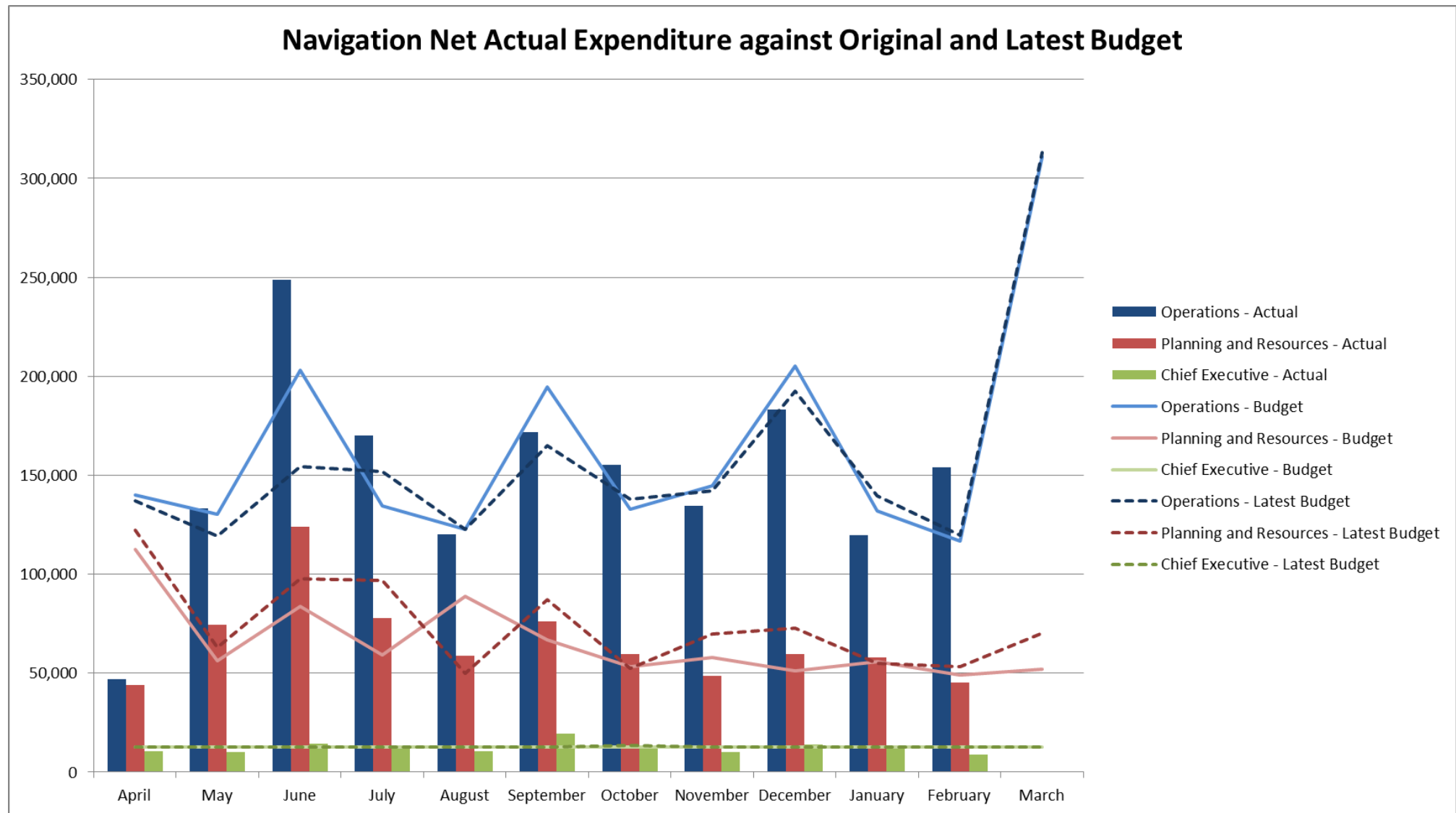
4 Summary

4.1 There have been some significant movements in the forecast outturn position for the year, as detailed above, which now suggests a small surplus of approximately £16,000 within the navigation budget for the year. With the latest amendments to forecast outturn, this would result in a navigation reserve balance of approximately £306,000 at the end of 2014/15 (before any year-end adjustments), which equates to 10.3% of net expenditure and is in line with the recommended level of 10%.

Background Papers: Nil
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Date of Report: 8 April 2015

Broads Plan Objectives: None
Appendices: APPENDIX 1 – Navigation Actual Income and Expenditure
Charts to 28 February 2015
APPENDIX 2 – Financial Monitor: Navigation Income and
Expenditure 2014/15





To 28 February 2015

Budget Holder

(All)

Row Labels	Values				
	Original Budget (Navigation)	Budget Adjustments (Navigation)	Latest Available Budget (Navigation)	Forecast Outturn (Navigation)	Forecast Outturn Variance (Navigation)
Income	(2,981,871)		(2,981,871)	(2,973,961)	(7,910)
National Park Grant	0		0	0	0
Income	0		0	0	0
Hire Craft Tolls	(1,118,300)		(1,118,300)	(1,073,105)	(45,195)
Income	(1,118,300)		(1,118,300)	(1,073,105)	(45,195)
Private Craft Tolls	(1,792,100)		(1,792,100)	(1,833,384)	41,284
Income	(1,792,100)		(1,792,100)	(1,833,384)	41,284
Short Visit Tolls	(37,721)		(37,721)	(37,721)	0
Income	(37,721)		(37,721)	(37,721)	0
Other Toll Income	(18,750)		(18,750)	(18,750)	0
Income	(18,750)		(18,750)	(18,750)	0
Interest	(15,000)		(15,000)	(11,000)	(4,000)
Income	(15,000)		(15,000)	(11,000)	(4,000)
Operations	1,966,843	12,871	1,979,713	2,011,544	(31,831)
Construction and Maintenance Salaries	575,734		575,734	571,430	4,304
Salaries	575,734		575,734	571,430	4,304
Expenditure			0		0
Equipment, Vehicles & Vessels	296,109	(15,365)	280,743	280,743	0
Income			0		0
Expenditure	296,109	(15,365)	280,743	280,743	0
Water Management	62,500	14,350	76,850	76,850	0
Income	0		0	0	0
Expenditure	62,500	14,350	76,850	76,850	0
Land Management	0		0	0	0
Income	0		0	0	0

Row Labels	Original Budget (Navigation)	Budget Adjustments (Navigation)	Latest Available Budget (Navigation)	Forecast Outturn (Navigation)	Forecast Outturn Variance (Navigation)
Expenditure	0		0	0	0
Practical Maintenance	310,035	7,170	317,205	317,527	(322)
Income	(7,000)		(7,000)	(8,700)	1,700
Expenditure	317,035	7,170	324,205	326,227	(2,022)
Ranger Services	435,606		435,606	455,604	(19,998)
Income	(10,000)		(10,000)	(10,000)	0
Salaries	348,006		348,006	368,004	(19,998)
Expenditure	97,600		97,600	97,600	0
Pension Payments			0		0
Safety	54,328		54,328	61,088	(6,760)
Income	(9,000)		(9,000)	(1,000)	(8,000)
Salaries	34,773		34,773	34,533	240
Expenditure	28,555		28,555	27,555	1,000
Asset Management	64,980		64,980	73,648	(8,668)
Income	(450)		(450)	(450)	0
Salaries	17,055		17,055	16,948	107
Expenditure	48,375		48,375	57,150	(8,775)
Volunteers	18,402		18,402	18,412	(10)
Income	(300)		(300)	(300)	0
Salaries	12,702		12,702	12,712	(10)
Expenditure	6,000		6,000	6,000	0
Premises	77,727	6,716	84,442	85,178	(736)
Income	(896)		(896)	(160)	(736)
Expenditure	78,623	6,716	85,338	85,338	0
Operations Management and Administration	71,422		71,422	71,063	359
Income			0		0
Salaries	64,422		64,422	64,063	359
Expenditure	7,000		7,000	7,000	0
Planning and Resources	787,289	19,239	806,528	750,574	55,954

Row Labels	Original Budget (Navigation)	Budget Adjustments (Navigation)	Latest Available Budget (Navigation)	Forecast Outturn (Navigation)	Forecast Outturn Variance (Navigation)
Development Management	0		0	0	0
Income	0		0	0	0
Salaries	0		0	0	0
Expenditure	0		0	0	0
Pension Payments			0		0
Strategy and Projects Salaries	22,417	769	23,186	21,496	1,690
Income	0		0	0	0
Salaries	22,417	769	23,186	21,496	1,690
Expenditure	0		0	0	0
Biodiversity Strategy	0		0	0	0
Income			0		0
Expenditure	0		0	0	0
Strategy and Projects	4,041		4,041	3,999	42
Income			0		0
Salaries	4,041		4,041	3,999	42
Expenditure	0		0	0	0
Waterways and Recreation Strategy	43,960		43,960	40,648	3,312
Salaries	34,960		34,960	31,648	3,312
Expenditure	9,000		9,000	9,000	0
Project Funding	13,760	16,970	30,730	30,696	34
Income	0		0	0	0
Salaries	3,760		3,760	3,726	34
Expenditure	10,000	16,970	26,970	26,970	0
Pension Payments			0		0
Partnerships / HLF	0		0	0	0
Expenditure	0		0	0	0
SDF	0		0	0	0
Expenditure	0		0	0	0
Finance and Insurance	158,187		158,187	149,287	8,900

Row Labels	Original Budget (Navigation)	Budget Adjustments (Navigation)	Latest Available Budget (Navigation)	Forecast Outturn (Navigation)	Forecast Outturn Variance (Navigation)
Income			0		0
Salaries	62,966		62,966	61,116	1,850
Expenditure	95,222		95,222	88,172	7,050
Communications	78,048		78,048	78,995	(947)
Income			0		0
Salaries	67,548		67,548	68,495	(947)
Expenditure	10,500		10,500	10,500	0
Visitor Centres and Yacht Stations	67,477	1,500	68,977	66,187	2,791
Income	(56,250)		(56,250)	(56,250)	0
Salaries	100,477		100,477	97,687	2,791
Expenditure	23,250	1,500	24,750	24,750	0
Collection of Tolls	113,660		113,660	113,192	468
Salaries	100,960		100,960	100,492	468
Expenditure	12,700		12,700	12,700	0
ICT	88,381		88,381	89,807	(1,426)
Income			0		0
Salaries	41,950		41,950	43,376	(1,426)
Expenditure	46,431		46,431	46,431	0
Legal	42,000		42,000	13,922	28,078
Income	0		0	(2,500)	2,500
Salaries	0		0	1,422	(1,422)
Expenditure	42,000		42,000	15,000	27,000
Premises - Head Office	69,600		69,600	65,119	4,481
Expenditure	69,600		69,600	65,119	4,481
Planning and Resources Management and Administration	85,757		85,757	77,226	8,531
Income	0		0	(3,300)	3,300
Salaries	44,882		44,882	45,591	(709)
Expenditure	40,876		40,876	34,936	5,940
Chief Executive	150,982		150,982	158,365	(7,383)

Row Labels	Original Budget (Navigation)	Budget Adjustments (Navigation)	Latest Available Budget (Navigation)	Forecast Outturn (Navigation)	Forecast Outturn Variance (Navigation)
Human Resources	54,587		54,587	64,893	(10,306)
Salaries	29,987		29,987	40,293	(10,306)
Expenditure	24,600		24,600	24,600	0
Governance	56,235		56,235	53,017	3,218
Income			0		0
Salaries	36,039		36,039	34,471	1,568
Expenditure	20,196		20,196	18,546	1,650
Chief Executive	40,159		40,159	40,454	(295)
Salaries	40,159		40,159	40,454	(295)
Expenditure			0		0
Projects and Corporate Items	37,200		37,200	37,313	(113)
PRISMA	0		0	113	(113)
Income			0		0
Salaries	10,410		10,410	10,523	(113)
Expenditure	(10,410)		(10,410)	(10,410)	0
STEP			0		0
Expenditure			0		0
Corporate Items	37,200		37,200	37,200	0
Pension Payments	37,200		37,200	37,200	0
Contributions from Earmarked Reserves			0		0
Earmarked Reserves			0		0
Expenditure			0		0
Grand Total	(39,558)	32,110	(7,449)	(16,166)	8,717