

Audit and Risk Committee

14 March 2023

Agenda item number 7

Consolidated income and expenditure 1 April to 31 January 2023 actual and 2022/23 forecast outturn

Report by Senior Accountant

Summary

This report provides details of actual income and expenditure for the ten-month period to 31 January 2023, and a forecast of the projected expenditure at the end of the financial year (31 March 2023).

Recommendation

To note the income and expenditure figures.

Contents

1.	Introduction	2
2.	Overview of actual income and expenditure	2
3.	Latest available budget	4
4.	Overview of forecast outturn 2022/23	5
5.	Reserves	5
6.	Conclusion	6
	Appendix 1 – Consolidated actual income and expenditure charts to 31 January 2023	8
	Appendix 2 – Financial monitor: Consolidated income and expenditure 2022/23	10

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 income and expenditure by directorate to 31 January 2023

Directorate	Profiled latest available budget £	Actual income and expenditure £	Actual variance £
Income	(7,163,062)	(7,285,043)	+ 121,981
Operations	4,019,492	3,509,643	+ 509,849
Strategic Services	1,327,562	1,395,748	-68,186
Finance & Support Services	1,442,644	1,556,466	-113,822
Projects, Corporate Items and Contributions from Earmarked Reserves	(351,639)	60,877	- 412,516
Net (Surplus) / Deficit	(725,003)	(762,309)	+ 37,306

- 2.1. Core navigation income is above the profiled budget at the end of month ten. The overall position as at 31 January is a favourable variance of £37,306 or a 5.1% difference from the profiled LAB. This is principally due to:

- An overall favourable variance of £121,981 within income:
 - Hire Craft Tolls is £14,782 ahead of the profiled budget.
 - Private Craft Tolls is £29,218 ahead of the profiled budget.
 - Short Visit and Other Tolls is £9,832 ahead of the profiled budget.
 - Investment Income is £68,149 ahead of the profiled budget.
- An underspend within Operations relating to:
 - Construction, Maintenance and Ecology Salaries is over the profiled budget by £23,082 due to the annual inflationary pay rise agreed by the National Joint Council (NJC) being higher than originally budgeted
 - Equipment, Vehicles and Vessels is under the profiled budget by £196,902 due to some of the expenditure from the earmarked reserves is not going ahead this year. This is due to receiving the CDEL Grant from DEFRA.

- Land Management is under the profiled budget by £18,436 due to timing differences on the receipt of the RPA income.
- Practical Maintenance is under the profiled budget by £141,760 due to timing difference on the mooring's maintenance and repairs and the expenditure from the earmarked reserves relating to Hoveton Riverside Park being transferred to 2023/24 budget
- Waterways and Recreation Strategy is under the profiled budget by £85,643 due to receiving the Access Grant from DEFRA. This money is due to be spent by the 31st March.
- Ranger Services is under the profiled budget by £50,914 as there is a delay in the vehicle replacement funded from the earmarked reserves and electrifying a launch engine.
- Premises is under the profiled budget by £48,417 as the Dockyard solar panel project funded from the earmarked reserves is not going ahead this year. This has been transferred to the 2023/24 budget.
- Premises – Head Office is over the profiled budget by £23,626 due to the cost of the facilities management is higher than originally budgeted.
- An underspend within Strategic Services relating to:
 - Development Management is over the profiled budget by £34,635 due to a decrease in planning application income and an overspend in salaries. The salaries variance is due to the inflationary pay rise agreed by the NJC being higher than originally budgeted.
 - Strategy and Projects is over the profiled budget by £14,410 due to timing differences on the Nature for Climate Peatland project expenditure and grant reclaim.
 - Biodiversity Strategy is under the profiled budget by £10,560 due to receiving additional funding towards the Horsey project and timing differences in expenditure.
 - Human Resources is over the profiled budget by £19,560 due to staff cover.
 - Communications is under the profiled budget by £25,155 due to timing differences on expenditure in a number of budgets.
 - Visitor Services is over the profiled budget by £20,460 due to income for boat trips and moorings being less than originally budgeted.
 - Strategic Services Management and Administration is over the profiled budget by £12,124 due to an overspend in salaries. The salaries variance is due to the inflationary pay rise agreed by the NJC being higher than originally budgeted.

- An overspend within Finance and Support Services relating to:
 - National Park Grant is over the profiled budget by £213,392 due to expenditure for the CDEL Grant has started, but the funds won't be received until February.
 - Governance is under the profiled budget by £17,503 mainly due to a reduction in corporate subscriptions.
 - Asset Management is under the profiled budget by £61,986 mainly due to timing differences on lease payments and works funded from the earmarked reserves being transferred to 2023/24 budget.
 - ICT is under the profiled budget by £17,950 due to an underspend in Stationery costs and Computer Hardware.
- An adverse variance within reserves relating to:
 - Premises reserve is under the profiled budget due to delays in Dockyard expenditure.
 - Property reserve is under the profiled budget due to work at Hoveton Riverside Park being delayed until 2023/24 and the works at South Walsham slipway no longer being a priority for this financial year.
 - Plant, Vessels and Equipment is under the profiled budget due to the delays in equipment and vehicle replacements.
 - Upper Thurne is under the profiled budget as this work has been delayed into 2023/24.
 - UK Communications Team is over the profiled budget due to Expenditure being ahead of budget.
 - Match Funding is under the profiled budget due to expenditure on the EXPERIENCE project being lower than expected.

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

3. Latest available budget

3.1. The Authority's income and expenditure is monitored against the latest available budget (LAB) for 2022/23. 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. Full details of movements from the original budget are set out in Appendix 2.

Table 2

Adjustments to consolidated LAB

Item	Authorisation reference	Amount £
Original budget 2022/23 – deficit	Broads Authority 28/01/22 Agenda item number 9	352,484
Approved budget carry-forwards	Broads Authority 13/05/22 Agenda item number 9	75,000
LAB as at 31 January 2023	n/a	427,484

4. Overview of forecast outturn 2022/23

- 4.1. Budget holders have been asked to comment on the expected income and expenditure at the end of the financial year in respect of all budget lines for which they are responsible.
- 4.2. Since the last report in November, the forecast deficit has decreased and is now a favourable variance when compared with the LAB. The forecast is still showing a deficit and this will need to be balanced through the use of reserves.

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

Table 3

Adjustments to Forecast Outturn

Item	Amount £
Forecast outturn deficit per LAB	427,484
Adjustments previously reported	30,239
Increase to Hire Craft income	(6,092)
Increase to Private craft income	(34,150)
Increase to Investment income due to rate increase	(35,000)
Decrease to salary costs following vacancies	(11,594)
Decrease to Planning Fee income	16,000
Increase to expenditure	500
Forecast outturn deficit as at 31 January 2023	387,387

5. Reserves

- 5.1. As in previous years, the Authority's contributions to the reserves have all been made in full at the end of quarter one. This has resulted in some reserves showing increased balances at the end of January. It was anticipated that these would reduce as planned

purchases take place throughout the year but some of this work will happen in 2023/24 instead due to other work taking priority.

- 5.2. Items funded from the Property reserve include repairs to the Eel Sett and How Hill nature trail. The Plant, Vessels and Equipment reserve has the income from the disposal of vehicles and scrap metal and the deposits for three new vehicles.

Table 4

Consolidated earmarked reserves

Reserve name	Balance at 1 April 2022 £	In-year movements £	Current reserve balance £
Property	(880,274)	(35,321)	(915,595)
Plant, Vessels and Equipment	(485,138)	(204,610)	(689,748)
Premises	(293,951)	(80,000)	(373,951)
Planning Delivery Grant	(244,810)	0	(244,810)
Upper Thurne Enhancement	(187,031)	(21,000)	(208,031)
Heritage Lottery Fund	(7,619)	131,777	124,158
Catchment Partnership	(84,381)	629	(83,752)
CANAPE	(476,272)	74,459	(401,813)
Computer Software	(129,326)	(20,000)	(149,326)
UK Communications	(38,346)	16,990	(21,356)
Match Funding	(46,130)	29,038	(17,092)
Total	(2,873,278)	(108,038)	(2,981,316)

- 5.3. £1,482,155 of the current reserve balance above relates to Navigation reserves.

6. Conclusion

- 6.1. The forecast position for the year suggests a deficit within the National Park and Navigation budget, which will be balanced through the use of reserves. This would result in a National Park Reserve balance of approximately £673,000 and a Navigation Reserve balance of £609,000 at the end of 2022/23 (before any year-end adjustments for interest). This would mean that both reserves would be above the recommend levels, with National Park at 18.4% and Navigation at 15%.

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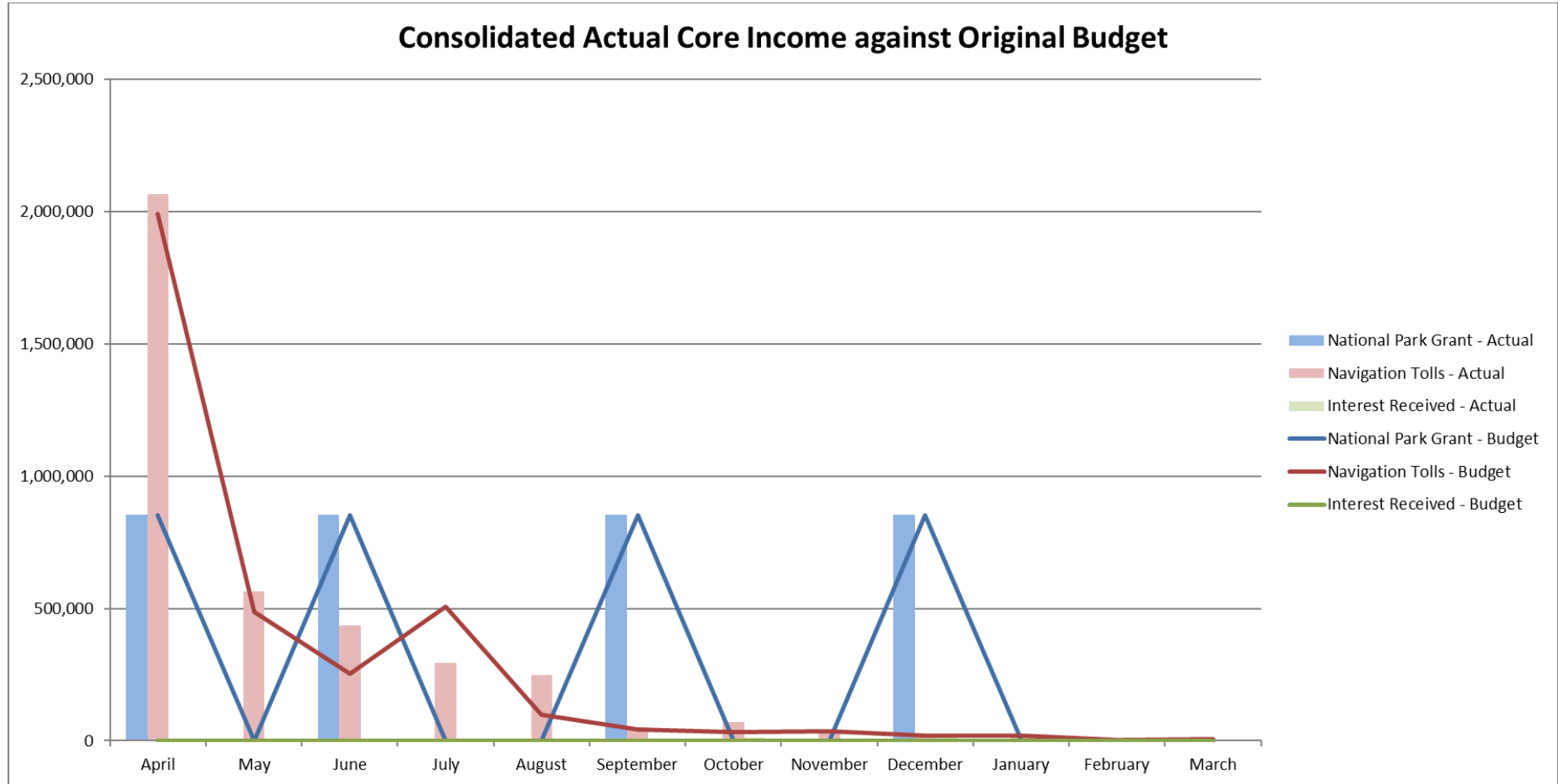
Date of report: 28 February 2023

[Broads Plan](#) strategic objectives: All

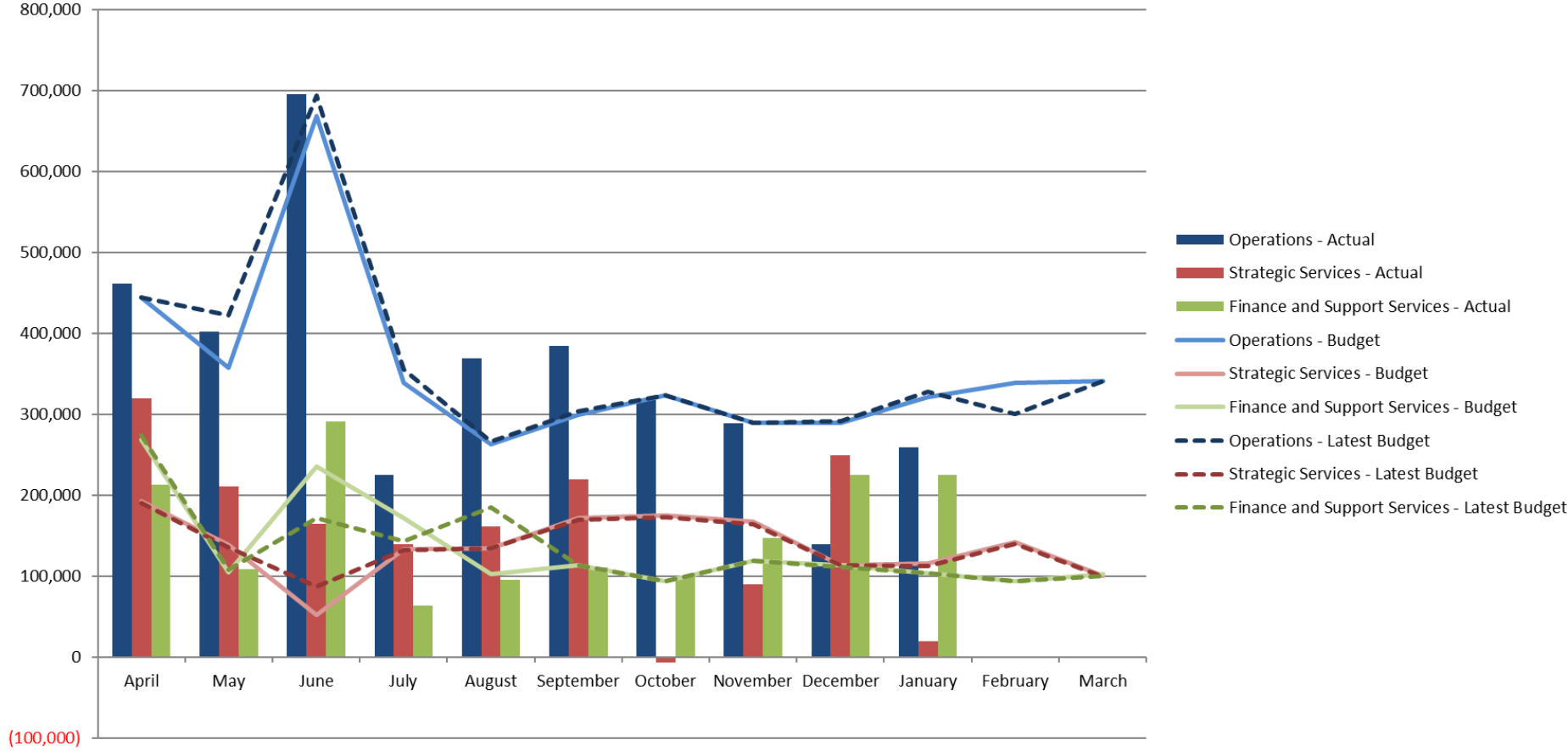
Appendix 1 – Consolidated actual income and expenditure charts to 31 January 2023

Appendix 2 – Financial monitor: Consolidated income and expenditure 2022/23

Appendix 1 – Consolidated actual income and expenditure charts to 31 January 2023



Consolidated Net Actual Expenditure against Original and Latest Budget



Appendix 2 – Financial monitor: Consolidated income and expenditure 2022/23

Table 1

Income

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Total Income	(7,175,468)	0	(7,175,468)	(8,371,450)	1,195,982
National Park Grant	(3,414,078)	0	(3,414,078)	(4,469,078)	1,055,000
Hire Craft Tolls	(1,186,000)	0	(1,186,000)	(1,200,782)	14,782
Private Craft Tolls	(2,489,000)	0	(2,489,000)	(2,516,200)	27,200
Short Visit Tolls	(48,000)	0	(48,000)	(48,000)	0
Other Toll Income	(32,390)	0	(32,390)	(32,390)	0
Interest	(6,000)	0	(6,000)	(105,000)	99,000

Table 2
Operations

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Total Operations	4,691,344	75,000	4,766,344	4,455,794	310,550
Construction and Maintenance Salaries	1,382,480	0	1,382,480	1,430,496	-48,016
Salaries	1,384,240	0	1,384,240	1,430,575	-46,335
Expenditure	(1,760)	0	(1,760)	(79)	-1,681
Equipment, Vehicles & Vessels	730,645	0	730,645	526,760	203,885
Income	(13,700)	0	(13,700)	(14,000)	300
Expenditure	744,345	0	744,345	540,760	203,585
Water Management	79,840	0	79,840	79,840	0
Expenditure	79,840	0	79,840	79,840	0
Land Management	(40,786)	0	(40,786)	(40,786)	0
Income	(97,606)	0	(97,606)	(97,606)	0
Expenditure	56,820	0	56,820	56,820	0
Practical Maintenance	640,195	75,000	715,195	592,990	122,205
Income	(11,000)	0	(11,000)	(11,425)	425
Expenditure	651,195	75,000	726,195	604,415	121,780
Waterways and Recreation Strategy	54,100	0	54,100	56,420	-2,320

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Income	0	0	0	(76,621)	76,621
Salaries	42,100	0	42,100	44,420	-2,320
Expenditure	12,000	0	12,000	88,621	-76,621
Ranger Services	1,067,690	0	1,067,690	1,060,234	7,456
Income	0	0	0	0	0
Salaries	866,570	0	866,570	878,827	-12,257
Expenditure	200,870	0	200,870	181,157	19,713
Pension Payments	250	0	250	250	0
Safety	122,430	0	122,430	149,330	-26,900
Income	(1,000)	0	(1,000)	(1,000)	0
Salaries	78,100	0	78,100	81,560	-3,460
Expenditure	45,330	0	45,330	68,770	-23,440
Premises	232,190	0	232,190	184,610	47,580
Income	(3,500)	0	(3,500)	(5,100)	0
Expenditure	235,690	0	235,690	189,710	45,980
Premises – Head Office	263,880	0	263,880	263,880	0
Income	0	0	0	0	0
Expenditure	263,880	0	263,880	263,880	0

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast outturn variance (Consolidated) £
Project Funding	12,100	0	12,100	4,600	7,500
Expenditure	0	0	0	(7,500)	7,500
Pension Payments	12,100	0	12,100	12,100	0
Operations Management and Administration	146,580	0	146,580	147,420	-840
Salaries	138,080	0	138,080	138,920	-840
Expenditure	8,500	0	8,500	8,500	0

Table 3
Strategic Services

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Strategic Services	1,691,702	0	1,691,702	1,759,978	-68,276
Development Management	364,240	0	364,240	404,000	-39,760
Income	(100,000)	0	(100,000)	(84,000)	-16,000
Salaries	408,840	0	408,840	422,600	-13,760
Expenditure	50,850	0	50,850	60,850	-10,000
Pension Payments	4,550	0	4,550	4,550	0
Strategy and Projects Salaries	212,500	0	212,500	222,960	-10,460
Income	(962,486)	0	(962,486)	(962,486)	0
Salaries	175,350	0	175,350	185,970	-10,620
Expenditure	999,636	0	999,636	999,476	160
Strategy and Projects	1,000	0	1,000	1,000	0
Expenditure	1,000	0	1,000	1,000	0
Biodiversity Strategy	11,900	0	11,900	11,900	0
Income	0	0	0	(5,103)	5,103
Expenditure	11,900	0	11,900	17,003	-5,103
Human Resources	150,610	0	150,610	172,150	-21,540

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Income	0	0	0	(370)	370
Salaries	91,960	0	91,960	113,870	-21,910
Expenditure	58,650	0	58,650	58,650	0
Volunteers	73,300	0	73,300	75,330	-2,030
Salaries	53,900	0	53,900	55,930	-2,030
Expenditure	19,400	0	19,400	19,400	0
Communications	428,704	0	428,704	427,920	784
Income	(115,272)	0	(115,272)	(89,480)	-25,792
Salaries	303,810	0	303,810	373,780	-69,970
Expenditure	240,166	0	240,166	143,620	96,546
Visitor Centres and Yacht Stations	339,370	0	339,370	326,450	12,920
Income	(200,600)	0	(200,600)	(200,600)	0
Salaries	396,620	0	396,620	383,700	12,920
Expenditure	143,350	0	143,350	143,350	0
Strategic Services Management and Administration	110,078	0	110,078	118,268	-8,190
Salaries	112,950	0	112,950	121,140	-8,190
Expenditure	(2,872)	0	(2,872)	(2,872)	0

Table 4

Finance & Support Services

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Finance & Support Services	1,659,775	0	1,659,775	2,660,305	-1,000,530
National Park Grant	0	0	0	1,055,000	-1,055,000
Expenditure	0	0	0	1,055,000	-1,055,000
Legal	96,000	0	96,000	94,000	2,000
Income	(4,000)	0	(4,000)	(6,000)	2,000
Expenditure	100,000	0	100,000	100,000	0
Governance	249,960	0	249,960	230,650	19,310
Salaries	173,060	0	173,060	170,350	2,710
Expenditure	76,900	0	76,900	60,300	16,600
Chief Executive	125,240	0	125,240	123,940	1,300
Salaries	124,240	0	124,240	122,940	1,300
Expenditure	1,000	0	1,000	1,000	0
Asset Management	146,609	0	146,609	105,199	41,410
Income	(24,000)	0	(24,000)	(24,000)	0
Salaries	47,970	0	47,970	49,560	-1,590
Expenditure	122,639	0	122,639	79,639	43,000

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Finance and Insurance	452,746	0	452,746	468,666	-15,920
Salaries	234,620	0	234,620	237,540	-2,920
Expenditure	218,126	0	218,126	231,126	-13,000
Collection of Tolls	193,760	0	193,760	195,220	-1,460
Salaries	182,760	0	182,760	184,220	-1,460
Expenditure	11,000	0	11,000	11,000	0
ICT	395,460	0	395,460	387,630	7,830
Salaries	202,560	0	202,560	206,280	-3,720
Expenditure	192,900	0	192,900	181,350	11,550

Table 5

Projects and Corporate items

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Projects and Corporate Items	(5,387)	0	(5,387)	(3,687)	-1,700
Partnerships / HLF	(151,987)	0	(151,987)	(151,987)	0
Income	(681,924)	0	(681,924)	(887,420)	205,496
Salaries	104,180	0	104,180	183,140	-78,960
Expenditure	425,757	0	425,757	552,293	126,536
Corporate Items	146,600	0	146,600	148,300	-1,700
Expenditure	19,600	0	19,600	21,300	-1,700
Pension Payments	127,000	0	127,000	127,000	0

Table 6

Contributions from earmarked reserves

Row labels	Original budget (Consolidated) £	Budget adjustments (Consolidated) £	Latest available budget (Consolidated) £	Forecast outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Total Contributions from Earmarked Reserves	(509,482)	0	(509,482)	(113,553)	-395,929
Earmarked Reserves	(509,482)	0	(509,482)	(113,553)	-395,929
Expenditure	(509,482)	0	(509,482)	(113,553)	-395,929

Table 7

Net (Surplus) / Deficit

Row labels	Original Budget (Consolidated) £	Budget Adjustments (Consolidated) £	Latest Available Budget (Consolidated) £	Forecast Outturn (Consolidated) £	Forecast Outturn Variance (Consolidated) £
Grand Total	352,484	75,000	427,484	387,387	40,097