

REVENUE BUDGET AND CAPITAL PROGRAMME 2022/23

Joint Report of Chief Officer and Treasurer

1. Recommendations:

That members:

- 1.1 Approve the Revenue Budget outlined below.
- 1.2 Approve the Fees and Charges set out in Table 4;
- 1.3 Note the projected balances on the General Reserve and Capital Receipts Reserve.
- 1.4 Review the Assessment of Volatile Budgets at Appendix B and note the outlined risks, impacts and mitigations.
- 1.5 Note that up to £65,500 of Contingency Fund may be needed and met from Reserves where necessary.

2. Revenue Budget Summary

	2021/22 Base Budget	Base Budget Adjustments	Inflation	2022/23 Budget
	£	£	£	£
Employees	536,600	95,000	12,400	644,000
Premises	34,600	0	0	34,600
Transport	17,100	(3,700)	1,000	14,400
Supplies & Services	72,900	(2,800)	600	70,700
Boat Costs	25,100	(300)	1,000	25,800
Environmental Research	17,200	0	0	17,200
Support	62,200	0	0	62,200
Fees & Charges	(25,700)	(15,500)	0	(41,200)
	740,000	72,700	15,000	827,700
Contingency /Potential Use of Reserves	0	(65,500)	0	(65,500)
Total	740,000	7,200	15,000	762,200

- 2.1 Base Budget Adjustments (items over £1,000):
 - 2.1.1 Employees - Staff costs £ 93,000, Training £ 2,000;
 - 2.1.2 Transport –Public transport £ (2,600), Officers Travel Expenses £ (1,100);
 - 2.1.3 Supplies & Services – Telephones £ (3,000);
 - 2.1.4 Fees & Charges – Income £ (15,500);
 - 2.1.5 Contingency/Potential Use of Reserves - £ (65,500)

Detailed explanations are provided in Appendix A

- 2.1.6 The Chief Officer sent a report to Defra on 21st October 2021 that identified the Statutory duties he considered D&S IFCA could deliver, could partially deliver and would not deliver in 2022/23 unless D&S IFCA was able to recruit additional staff.
- 2.1.7 The budget of £762,200 financed partly from the contingency / potential use of reserves of £65,500 provides for the recruitment of two additional Enforcement Officers and the creation of a new post, Marine Development Officer.
- 2.1.8 In March 2021 the Authority approved the use of reserves of £59,300 over two years to cover a fixed term post. From October 2021 this post has been vacant allowing £45,700 of this two-year approval to cover most of the contingency of £65,500 in the 2022/23 budget. In addition, the Authority has a history of underspends which if delivered would reduce the amount of the contingency required. The Authority's reserves will be used to meet any remaining contingency in 2022/23.
- 2.1.9 The two additional enforcement officers will increase the Enforcement team by a third and will allow for additional shore and sea patrols and inspections. The report to Defra identifies that enforcement coverage across the north coast of the District is particularly poor and the additional enforcement Officers will mean that more regular visits to this area can be achieved. The Chief Officer believes that the additional two enforcement officers would reduce the risk of D&S IFCA not meeting its Statutory duties to manage all sea fisheries.
- 2.1.10 The report to Defra identified that the Environment team would not be able to continue to respond to marine licence applications, including Hinkley C and disposals at sea due to other work commitments. D&S IFCA has also developed a mariculture strategy to reflect the importance of this sector in its District but without additional resources it would not be able to continue to implement the Strategy. The Marine Development Officer would be responsible for these work streams and the management of D&S IFCA's permitting system and byelaw exemption processes. The Chief Officer believes that with the addition of this Officer, D&S IFCA would meet its Statutory duty to support sustainable development in the District.

Budget and Levy for 22/23 represent a 3% increase.

Staffing:

	2021/22 Full Time Equivalent Numbers	2022/23 Full Time Equivalent Numbers
Officers:		
Full-time	9.00	12.00
Part-time	1.83	1.11
Administrative Staff:		
Full-time	1.00	1.00
Fixed Term:		
FRMPO	1.00	0.00
Total	12.83	14.11

Inflation Rates:

	%
Pay Inflation - Chief Officers (set nationally)	2.00
Pay Inflation - NJC staff (set nationally)	2.00
General	2.00
Fuel	10.00
Travel & Transport (CPI)	3.00

3. Comparison of Levy with New Burdens Funding:

	2021/22 Indicative Levy £	Increase in Levy £	2022/23 Indicative Levy £	2022/23 New Burdens Funding £	Variance £
Bristol City Council	41,810	1,254	43,064	50,851	(7,787)
Gloucestershire County Council	107,078	3,212	110,290	122,428	(12,138)
North Somerset Council	34,262	1,028	35,290	42,574	(7,284)
Somerset County Council	117,586	3,528	121,114	133,952	(12,838)
South Gloucestershire Council	30,192	906	31,098	38,110	(7,012)
Total New Authorities	330,928	9,928	340,856	387,915	(47,059)
Devon County Council	348,466	10,454	358,920	21,382	337,538
Plymouth City Council	34,780	1,043	35,823	0	35,823
Torbay Council	25,826	775	26,601	0	26,601
Total Devon Authorities	409,072	12,272	421,344	21,382	399,962
Total Funding	740,000	22,200	762,200	409,297	352,903

4. Fees & Charges

	2021/22 Charge £	2022/23 Proposed Charge £
Waddeton Fishery Licences (per plot)	260.00	260.00
Charter (per hour including staff)	280.00	280.00
RIB Charter (per hour excluding staff)	95.00	95.00

5. Risk Assessment of Volatile Budgets

- 5.1 As part of the budget setting process, the Authority should consider the risks inherent in the budgets set and the adequacy of the measures put in place to manage those risks.
- 5.2 A risk assessment of volatile budgets is included as Appendix B.

6. Usable Reserves

The Authority is expected to have two usable reserves in 2022/23.

General Reserve

	2021/22 Projection £	2022/23 Projection £
Balance 1st April	528,812	526,012
Contribution to Reserve	0	0
Transfer from Reserve	(29,000)	0
Transfer to Reserve	26,200	0
Balance 31st March	526,012	526,012

Capital Receipt Reserve

	2021/22 Projection £	2022/23 Projection £
Balance 1st April	52,028	76,775
Transfer from Reserve	0	0
Capital Receipt	24,747	0
Balance 31st March	76,775	76,775

Mat Mander
Chief Officer

Angie Sinclair
Treasurer

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

List of Background Papers

- 1) The Budget 2022/23
- 2) The Budget Monitoring Reports of 2021/22

Appendix A

		2021/22 Adjusted Base Budget	Budget Adjustments	Inflation	2022/23 Budget	Reason for Budget Adjustment - Items Over £1,000
		£	£	£	£	
1	Staff costs (includes National Insurance and Pension Contributions)	528,600	93,000	12,400	634,000	Budget Adjustment - Additional posts (2.4 FTE), 1.75% Pay Award 21/22, Spinal Point Increases, N.I Increase. Inflation - 2% Pay Award 22/23.
2	Training (including travel costs)	8,000	2,000	0	10,000	Increased to reflect prior year actuals
3	EMPLOYEES	536,600	95,000	12,400	644,000	
4	Rents and Service Charges	31,600	0	0	31,600	
5	Hire of rooms	3,000	0	0	3,000	
6	PREMISES	34,600	0	0	34,600	
7	Vehicle fuel repair and maintenance	7,000	0	700	7,700	
8	Public Transport (bus and rail)	3,500	(2,600)	100	1,000	Less travel and meetings
9	Vehicle insurance, road tax	4,600	0	100	4,700	
10	Officers Travel Expenses, including car parking	2,000	(1,100)	100	1,000	Less travel and meetings
11	TRANSPORT	17,100	(3,700)	1,000	14,400	

		2021/22 Adjusted Base Budget	Budget Adjustments	Inflation	2022/23 Budget	Reason for Budget Adjustment - Items Over £1,000
		£	£	£	£	
12	Admin Equipment	1,900	0	0	1,900	
13	Protective Clothing	3,000	0	100	3,100	
14	Printing & Design	1,700	0	0	1,700	
15	Advertising (Statutory Notices)	6,000	0	0	6,000	
16	Stationery	1,000	0	0	1,000	
17	Insurances - external	5,400	0	100	5,500	
18	Other memberships (AIFCA & ASERA)	12,300	0	200	12,500	
19	Internal Audit	1,300	0	0	1,300	
20	Postages	1,000	0	0	1,000	
21	Telephones	8,000	(3,000)	0	5,000	Reduced to reflect prior year actuals - virtual meetings/calls
22	IT hardware, software and support	7,600	0	200	7,800	
23	Officers Subsistence	2,000	0	0	2,000	
24	Other Supplies (including hospitality & members allowances)	11,000	0	0	11,000	
25	Subscriptions (Fishing News and MCSS access)	1,200	200	0	1,400	
26	Enforcement	9,500	0	0	9,500	
27	SUPPLIES	72,900	(2,800)	600	70,700	

		2021/22 Adjusted Base Budget	Budget Adjustments	Inflation	2022/23 Budget	Reason for Budget Adjustment - Items Over £1,000
		£	£	£	£	
28	Boat Moorings / Berths	4,100	400	100	4,600	
29	Boat and R.I.B. Fuel	6,000	0	600	6,600	
30	Boat Repairs & Maintenance	5,000	0	100	5,100	
31	Boat Insurance	8,500	(700)	200	8,000	
32	Boat technical equipment	1,500	0	0	1,500	
33	BOAT COSTS	25,100	(300)	1,000	25,800	
34	ENVIRONMENTAL RESEARCH	17,200	0	0	17,200	
35	Support Services – Finance/HR	23,900	0	0	23,900	
36	Legal fees	38,300	0	0	38,300	
37	SUPPORT	62,200	0	0	62,200	

		2021/22 Adjusted Base Budget	Budget Adjustments	Inflation	2022/23 Budget	Reason for Budget Adjustment - Items Over £1,000
		£	£	£	£	
38	Fees Court cases	(12,000)	(8,000)	0	(20,000)	Increased based on prior year actuals.
39	Fuel Duty Rebates	(1,200)	(800)	0	(2,000)	
40	Permit fees	(10,000)	(7,000)	0	(17,000)	Increased based on prior year actuals and increase in some permit fees for next year.
41	Licence fees	(1,500)	(500)	0	(2,000)	
42	Bank Interest	(1,000)	800	0	(200)	
43	FEES AND CHARGES (INCOME)	(25,700)	(15,500)	0	(41,200)	
44	TOTAL	740,000	74,500	13,200	827,700	
45	CONTINGENCY/POTENTIAL USE OF RESERVES	0	(65,500)	0	(65,500)	Contingency due to history of underspend. Previous approval from Authority to fund £59,300 for two year fixed term post, saving of £45,700 due to resignation. Saving made if start date for additional posts deferred.
46	TOTAL LEVY FUNDING	740,000	9,000	13,200	762,200	

Appendix B – Risk Assessment of Volatile Budgets

Budget Amount	Budget Description	Risk	Mitigating Actions
£ 634,000	Staff Costs	Pay award An additional 1% in pay or superannuation rates would have a £6,340 effect	National negotiation will be followed closely. The outcome of the award is outside of the control of the authority. If pay award higher than the 2% budgeted, use active budget management to reduce spending on other lines. If lower, use a saving to offset budget pressures elsewhere or add to General Reserve.
£ 7,700	Vehicle fuel, repair and maintenance	Fuel price increases Unexpected maintenance on current vehicles	Try to meet from any underspend, otherwise fund from General Reserve with authority approval.
£ 1,000	Officers travel expenses	Increase in mileage Increase in parking charges	Try to meet from any underspend, otherwise fund from General Reserve with authority approval.
£ 6,600	Boat Fuel	Fuel price increases RIBS +/- 10p/litre	Fuel prices will be monitored closely. Try to meet from any underspend, otherwise fund from General Reserve with authority approval.
£ 5,100	Boat Repairs & Maintenance	Unexpected maintenance on boat repairs	Significant repair costs can be funded from the General Reserve, with the Authorities' approval
£ 38,300	Legal fees	Increase in fees Delay in court cases	If higher, fund from General Reserve with authority approval. If lower, use saving to offset budget pressures elsewhere or add to General Reserve.
£ (41,000)	Fees & Charges (Excl. Bank Interest)	Income lower than expected	Re-based budget on prior year actuals, if income received not as high as budgeted, offset budget pressure from General Reserve with authority approval.
£ (200)	Bank Interest	Increase/decrease in bank interest rates	If higher, use income to offset budget pressures elsewhere or add to General Reserve.
£ (65,500)	Contingency	Contingency Fund required in year	Fund from General Reserves where necessary. Saving of £45,700 from Authority's approval of two-year fixed term post. Representing an additional £19,800 on the Authority's approval in March 2021. Defer start dates of additional posts.
£ 37,600	Job Evaluation	No additional money has been earmarked if Job Evaluation determines pay award to staff	Authority do not have to honour any pay awards recommended by the evaluation body.