

**Devon & Severn Inshore Fisheries & Conservation Authority
15th September 2022**

BUDGET MONITORING 2022/23 – Month 4

Joint Report of Chief Officer and Treasurer

Recommendations:

That members:

1. Note the projected outturn
2. Note the projected general reserve balance

Budget Monitoring Month 4

The Budget monitoring at Month 4 indicates there will be an overall overspend against budget for the year.

The projected use of the General Reserve has increased by £42,800 (from the budgeted £65,500 to £108,300) due to:

- £20,000 being paid back for the EMFF IVMS Grant
- £1,800 HR support for job evaluation
- £5,400 GIS project
- £15,600 net overspend on the approved budget – there is a projected overspend on employee costs of £21,800 because of the latest pay offer but this pay overspend has been offset by underspends and additional income elsewhere in the budget.

The latest pay offer from employers for 2022/23 indicates an average pay increase of 5.4% rather than the 2% that was assumed when the budget was approved in December 2021. This has resulted in a projected overspend in employee costs of £21,800.

Supplies and services have seen an overspend due to the purchase of new laptops, as well as an increase in the AIFCA membership. The overspend in support services is due to the GIS project and HR support for the job evaluation, which will be offset by the transfer from general reserve as previously agreed.

Whilst there is an indication of an overspend, income is higher than expected due to an increase in interest rates.

There will be a requirement to payback the EFF IVMS Grant, which will be funded from the general reserve.

The table below analyses the overspend:

	2022/23 Base Budget £	2022/23 Revised Budget £	Outturn £	Variance £
Employees	644,000	644,000	665,800	21,800
Premises	34,600	34,600	34,600	0
Transport	14,400	14,400	13,500	(900)
Supplies and services	70,700	70,700	73,600	2,900
Boat costs	25,800	25,800	26,400	600
Environmental Research	17,200	17,200	12,200	(5,000)
Support Services	62,200	62,200	69,400	7,200
Income Fees & Charges	(41,200)	(41,200)	(45,000)	(3,800)
Payback of EMFF IVMS Grant	0	0	20,000	20,000
	827,700	827,700	870,500	42,800
Transfer from General Reserve	(65,500)	(65,500)	(92,700)	(27,200)
Total (overspend to be financed from General Reserve)	762,200	762,200	777,800	15,600

Variations (items over £1,000):

Employees

- Staff costs £ 21,800 – Expected pay award of £1,925 plus oncosts per FTE;

Supplies and services

- Other Fees & Charges £ 1,500 – Increase of the membership fee for AIFCA;
- IT Hardware £ 2,200 – Purchase of new laptops;

Environmental Research

- Environmental projects – £ (5,000) Less survey work undertaken than budgeted;

Support Services

- Management Consultancy £ 7,200 – GIS project and HR support for job evaluation;

Boat Costs

- Insurance £ 3,500 – Increase in insurance premiums;
- Income £ (2,800) – Contracted work for Brixham Lab;

Income Fees & Charges

- Interest on Balances £ (3,800) – Increase in interest rates;

EFF IVMS Grant

- EFF IVMS Grant £ 20,000 – One off cost to payback Grant;

General Reserve

- Transfer from General Reserve £ (27,200) – offset costs to payback EFF IVMS Grant, GIS project and HR support for job evaluation from General Reserves;
- Projected net overspend on approved budget (mainly pay costs) of £15,600 to be met from the General Reserve

General Reserve

		2022/23 Projection £
General Reserve Balance 1st April 2022		531,517
Budgeted Transfer from General Reserve	(65,500)	
One off items - Transfer from General Reserve	(27,200)	
Overspend on Approved Budget - Transfer from General Reserve	(15,600)	
Net transfer from General Reserve		(108,300)
Projected Balance 31st March 2023		423,217

Mat Mander
Chief Officer

Angie Sinclair
Treasurer

15th September 2022

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985