

Navigation Committee

03 April 2025

Agenda item number 12

Income and expenditure

Report by Chief Financial Officer

Purpose

To present the actual Navigation income and expenditure for the three-month period to 31 January 2025 and provide a forecast of the projected expenditure at the end of the financial year (31 March 2025).

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1. Introduction

1.1. This report gives a summary of the income and expenditure for the Navigation budget up until 31 January, any amendments to the Latest Available Budget (LAB), Forecast Outturn (predicted year end position) and the movements on the earmarked reserves.

2. Overview of actual income and expenditure

Table 1

Actual Navigation income and expenditure by Directorate to 31 January 2025

Directorate	Profiled Latest Available Budget £	Actual income and expenditure £	Actual variance £
Income	(4,598,307)	(4,494,015)	- 104,292
Operations	2,865,474	2,183,325	+ 682,149
Strategic Services	414,361	436,304	- 21,943
Finance & Support Services	1,000,296	890,828	+ 109,468
Projects, Corporate Items and Contributions from Earmarked Reserves	(494,232)	(118,298)	- 375,934
Net (Surplus) / Deficit	(812,408)	(1,101,856)	+ 289,448

2.1. Core Navigation income is below the profiled budget at the end of month ten. The overall position as at 31 January 2025 is a favourable variance of £289,448 or a 35.63% difference from the profiled LAB. This is principally due to:

- An overall adverse variance of £104,292 within income:
 - Hire Craft Tolls is £35,351 below the profiled budget.
 - Private Craft Tolls is £101,333 below the profiled budget.
 - Short Visit Tolls and Other Toll income is £1,291 below the profiled budget.
 - Investment income is £33,683 above the profiled budget.
- An underspend within Operations relating to:
 - Construction, Maintenance and Ecology salaries is £48,082 under the profiled budget due to the budgeted pay award (£1,925 per Full Time Equivalent (FTE))

being less (£1,290 per FTE) than what was agreed by the unions. The forecast has been updated to reflect this.

- Equipment, Vehicle and Vessels is £199,084 under the profiled budget due to capital items that were originally due to be funded from the earmarked reserves being funded from DEFRA capital grant. There has also been income that has been transferred to the earmarked reserves as a result of selling old equipment and vehicles, this had not been budgeted for.
- Practical Maintenance is £161,018 under the profiled budget partly due to timing issues and the delays of work at Potter Heigham and Martham. The forecast has been updated for this. There has also been delays in the electric charging pillar work that was being funded by a grant, this is likely to be deferred to 2025/26.
- Ranger Services is £241,525 under the profiled budget on salaries due to the pay award. The Ranger launch replacement has been delayed until 2025/26. There have also been timing differences on the launch repairs.
- Safety is £16,511 under the profiled budget due to delays in the Head of Safety Management post being filled. The new post holder started in September and the forecast has been adjusted to reflect the vacancy.
- An overspend within Strategic Services relating to:
 - Visitor Services is £43,335 above the profiled budget due to charging at Reedham Quay not commencing due to delays with the lease.
- An underspend within Finance and Support Services relating to:
 - Asset Management is £19,224 under the profiled budget due to a vacancy between June and August for the Asset Officer. The forecast has been updated to reflect this. There is also a timing difference on expenditure.
 - Finance and Insurance is £36,207 under the profiled budget due to a timing difference on external audit costs and salaries as a result of the pay award and vacancies at the start of the financial year.
 - Collection of Tolls is £11,674 under the profiled budget due to the pay award and a timing difference on printing costs.
 - ICT is £48,515 under the profiled budget due to timing differences on the tolls replacement system and the finance system coming in under budget.
- An adverse variance within reserves relating to:
 - Plant, Vessels and Equipment is under the profiled budget due to the equipment now being funded via the DEFRA capital grant.

- Property is over the profiled budget due to the mooring work being invoiced ahead of profile.
 - Computer Software is under the profiled budget due to minimal spend so far on the upgrade to the tolls system and the finance system coming in under budget.
- 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 monitored against the Latest Available Budget (LAB) for 2024/25. 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 in Appendix 2.

Table 2

Adjustments to Navigation LAB

Item	Authorisation reference	Amount £
Original budget 2024/25 surplus	Broads Authority 26/01/24 Agenda item number 10	(114,294)
Carry forward requests	Broads Authority 10/05/24 Agenda item number 10	27,080
LAB as at 31 January 2025	n/a	(87,214)

- 3.2. The LAB therefore provides for a navigation surplus of £87,214 in 2024/25 as at 31 January 2025.

4. Overview of forecast outturn 2024/25

- 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. As at the end of January 2025, the forecast indicates that:
- The total forecast income is £4,552,918.
 - Total expenditure is forecast to be £4,386,176.
 - The resulting surplus for the year is forecast to be £166,742.
- 4.3. The forecast outturn reflects the following changes from the LAB as shown in Table 3. The forecast deficit represents a favourable variance of £79,528 against the LAB.

Table 3

Adjustments to Forecast Outturn

Item	Amount £
Forecast outturn surplus as per LAB	(87,214)
Adjustments reported 09/01/25	(122,742)
Increase to Hire Craft income	(1,753)
Decrease to Private Craft income	3,174
Increase to Investment income	(30,000)
Increase to Ranger expenditure for removal of wrecks	71,793
Forecast outturn surplus as at 31 January 2025	(166,742)

5. Reserves

Table 4

Navigation Earmarked Reserves

Reserve name	Balance at 1 April 2025 £	In-year movements £	Current reserve balance £
Property	(618,681)	48,417	(570,264)
Plant, Vessels and Equipment	(492,192)	6,947	(485,245)
Premises	(217,434)	2,920	(214,514)
Computer Software	(127,533)	21,552	(105,981)
Total	(1,455,840)	79,836	(1,376,004)

- 5.1. The Property reserve contains the income from land rental at Oulton Broad and the piling at Reys bank. The Plant, Vessels and Equipment reserves contains the income from the sale of the old vehicles, JCBs and trailers. It has also funded four vehicles. The Premises Reserve has funded the final items for Reedham Quay hut replacement and feasibility reports for the Dockyard solar project. The Computer Software reserve has funded the work on the new tolls and finance systems.

6. Conclusion

- 6.1. The forecast outturn position for the year suggests a surplus within the Navigation budget, which would result in a Navigation Reserve balance of approximately £697,000 at the end of 2024/25 (before any year-end adjustments). This would mean the Navigation Reserve would be above the recommended 10% at 15.9%. Year-end

transfers of interest to the earmarked reserves mean it will fall to approximately 12.7%. This will be highly dependent on the level of interest received.

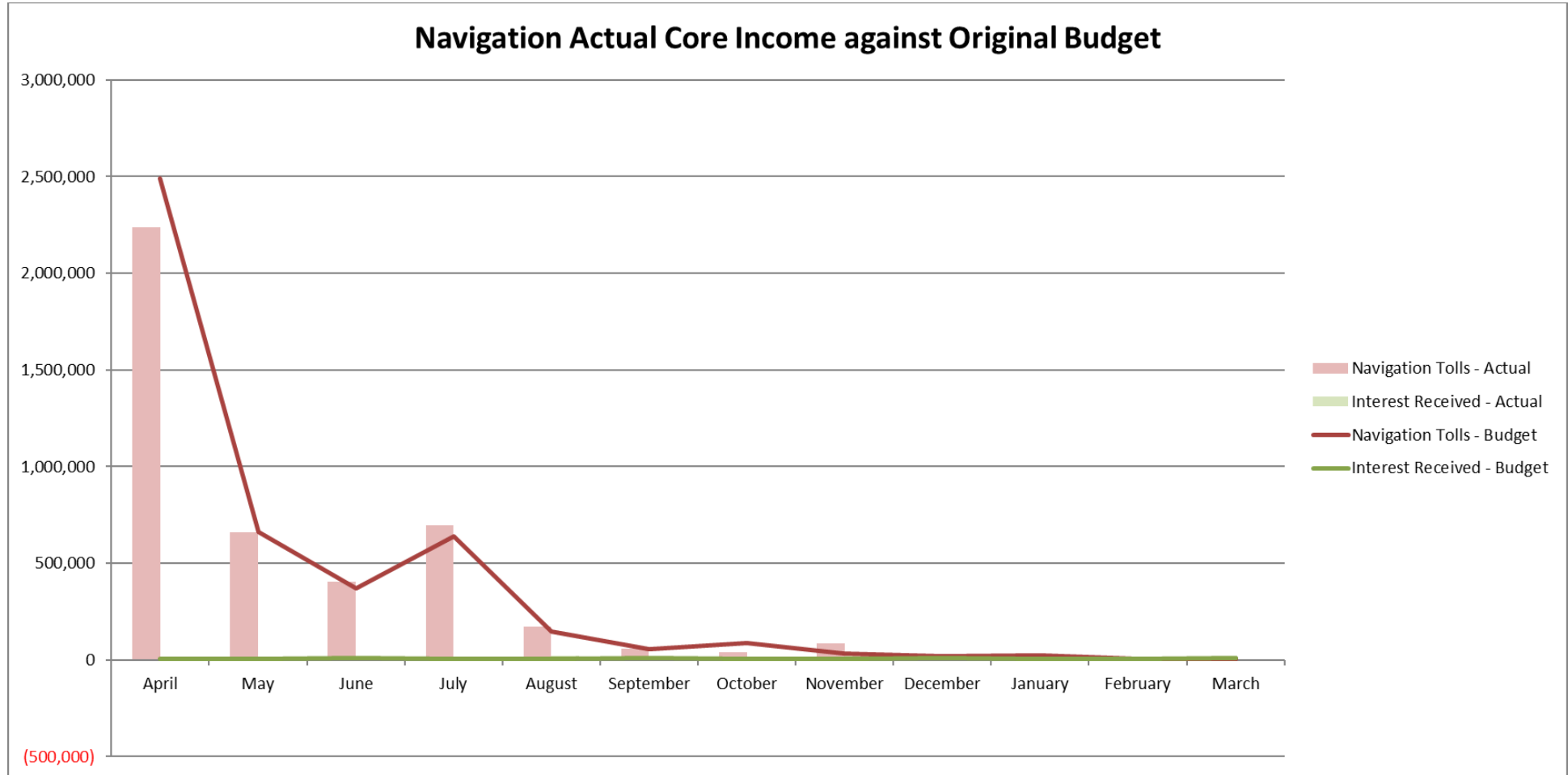
Author: Emma Krelle

Date of report: 06 March 2025

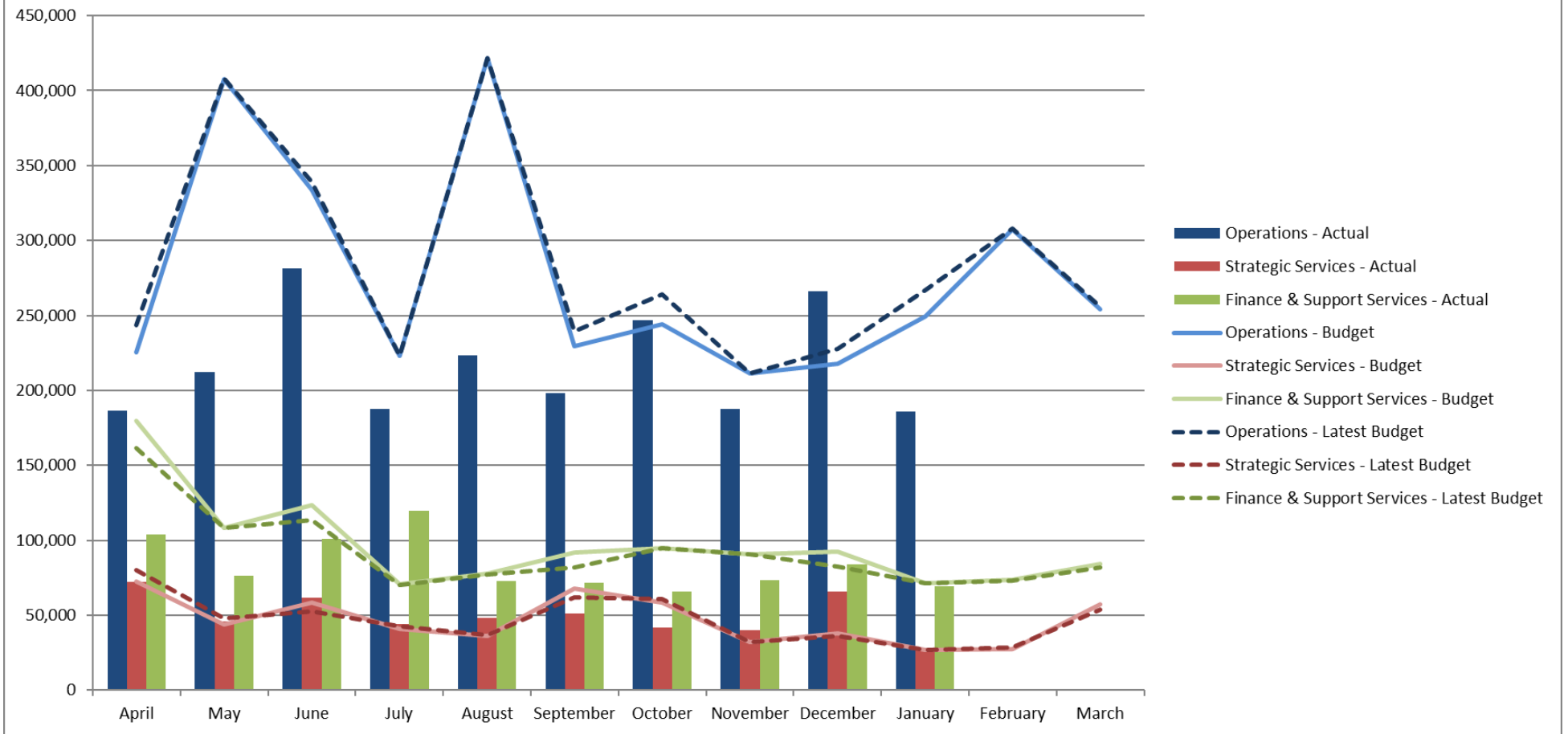
Appendix 1 – Navigation actual income and expenditure charts to 31 January 2025

Appendix 2 – Financial monitor: Navigation income and expenditure 2024/25

Appendix 1 – Navigation actual income and expenditure charts to 31 January 2025



Navigation Net Actual Expenditure against Original and Latest Budget



Appendix 2 – Financial monitor: Navigation income and expenditure 2024/25

Table 1

Income

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Total Income	(4,624,930)	0	(4,624,930)	(4,552,918)	- 72,012
National Park Grant	0	0	0	0	+ 0
Hire Craft Tolls	(1,436,000)	0	(1,436,000)	(1,405,312)	- 30,688
Private Craft Tolls	(3,006,000)	0	(3,006,000)	(2,904,676)	- 101,324
Short Visit Tolls	(60,000)	0	(60,000)	(60,000)	+ 0
Other Toll Income	(32,930)	0	(32,930)	(32,930)	+ 0
Interest	(90,000)	0	(90,000)	(150,000)	+ 60,000

Table 2
Operations

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Total Operations	3,408,924	157,330	3,566,255	3,424,129	+ 142,125
Construction and Maintenance Salaries	1,041,095	0	1,041,095	1,006,392	+ 34,703
Salaries	1,041,095	0	1,041,095	1,006,392	+ 34,703
Expenditure	0	0	0	0	+ 0
Equipment, Vehicles & Vessels	430,780	0	430,780	430,780	+ 0
Income	(840)	0	(840)	(840)	+ 0
Expenditure	431,620	0	431,620	431,620	+ 0
Water Management	75,000	0	75,000	75,000	+ 0
Expenditure	75,000	0	75,000	75,000	+ 0
Land Management	0	0	0	0	+ 0
Income	0	0	0	0	+ 0
Expenditure	0	0	0	0	+ 0
Practical Maintenance	366,825	152,080	518,905	418,905	+ 100,000
Income	(26,425)	(38,025)	(64,450)	(64,450)	+ 0
Expenditure	393,250	190,105	583,355	483,355	+ 100,000
Waterways and Recreation Strategy	31,530	0	31,530	31,100	+ 430

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Income	0	0	0	0	+ 0
Salaries	25,130	0	25,130	24,700	+ 430
Expenditure	6,400	0	6,400	6,400	+ 0
Ranger Services	1,192,875	0	1,192,875	1,205,095	- 12,220
Income	0	0	0	0	+ 0
Salaries	842,525	0	842,525	782,952	+ 59,573
Expenditure	350,150	0	350,150	421,943	- 71,793
Pension Payments	200	0	200	200	+ 0
Safety	99,780	0	99,780	82,955	+ 16,825
Income	(500)	0	(500)	(500)	+ 0
Salaries	72,190	0	72,190	50,365	+ 21,825
Expenditure	28,090	0	28,090	33,090	- 5,000
Premises	76,888	5,250	82,138	82,138	+ 0
Income	(1,820)	0	(1,820)	(1,820)	+ 0
Expenditure	78,708	5,250	83,958	83,958	+ 0
Operations Management and Administration	94,152	0	94,152	91,764	+ 2,388
Salaries	90,492	0	90,492	89,664	+ 828

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Expenditure	3,660	0	3,660	2,100	+ 1,560
Project Funding	0	0	0	0	+ 0
Pension Payments	0	0	0	0	+ 0

Table 3
Strategic Services

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Total Strategic Services	482,086	0	482,086	493,156	- 11,070
Development Management	5,126	0	5,126	5,049	+ 77
Income	0	0	0	0	+ 0
Salaries	5,126	0	5,126	5,049	+ 77
Expenditure	0	0	0	0	+ 0
Pension Payments	0	0	0	0	+ 0
Strategy and Projects Salaries	29,287	0	29,287	28,859	+ 427
Income	0	0	0	0	+ 0
Salaries	29,287	0	29,287	28,859	+ 427

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Expenditure	0	0	0	0	+ 0
Biodiversity Strategy	0	0	0	0	+ 0
Income	0	0	0	0	+ 0
Expenditure	0	0	0	0	+ 0
Human Resources	84,408	0	84,408	83,587	+ 821
Income	0	0	0	0	+ 0
Salaries	51,720	0	51,720	50,899	+ 821
Expenditure	32,688	0	32,688	32,688	+ 0
Volunteers	22,577	0	22,577	18,770	+ 3,807
Salaries	18,122	0	18,122	14,315	+ 3,807
Expenditure	4,455	0	4,455	4,455	+ 0
Communications	96,141	0	96,141	94,646	+ 1,495
Income	0	0	0	0	+ 0
Salaries	86,496	0	86,496	85,001	+ 1,495
Expenditure	9,645	0	9,645	9,645	+ 0
Visitor Centres and Yacht Stations	202,523	0	202,523	223,225	- 20,702
Income	(143,960)	0	(143,960)	(123,960)	- 20,000
Salaries	277,903	0	277,903	278,605	- 702

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Expenditure	68,580	0	68,580	68,580	+ 0
Strategic Services Management and Administration	42,024	0	42,024	39,018	+ 3,006
Salaries	40,704	0	40,704	38,253	+ 2,451
Expenditure	1,320	0	1,320	765	+ 555
Strategy and Projects	0	0	0	0	+ 0
Expenditure	0	0	0	0	+ 0

Table 4

Finance and Support Services

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Total Finance & Support Services	1,157,763	0	1,157,763	1,137,279	+ 20,484
National Park Grant	0	0	0	0	+ 0
Expenditure	0	0	0	0	+ 0
Legal	35,000	0	35,000	35,000	+ 0
Income	(5,000)	0	(5,000)	(5,000)	+ 0
Expenditure	40,000	0	40,000	40,000	+ 0

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Governance	132,947	0	132,947	131,484	+ 1,462
Salaries	101,557	0	101,557	99,431	+ 2,125
Expenditure	31,390	0	31,390	32,053	- 663
Chief Executive	53,696	0	53,696	52,985	+ 711
Salaries	53,301	0	53,301	52,589	+ 711
Expenditure	396	0	396	396	+ 0
Asset Management	76,606	0	76,606	69,982	+ 6,624
Income	(4,135)	0	(4,135)	(4,135)	+ 0
Salaries	25,466	0	25,466	18,842	+ 6,624
Expenditure	55,275	0	55,275	55,275	+ 0
Finance and Insurance	318,119	0	318,119	309,792	+ 8,327
Salaries	159,768	0	159,768	151,441	+ 8,327
Expenditure	158,351	0	158,351	158,351	+ 0
Collection of Tolls	228,380	0	228,380	220,270	+ 8,110
Salaries	215,880	0	215,880	207,770	+ 8,110
Expenditure	12,500	0	12,500	12,500	+ 0
ICT	262,695	0	262,695	260,646	+ 2,050
Income	0	0	0	0	+ 0

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Salaries	119,750	0	119,750	117,701	+ 2,050
Expenditure	142,945	0	142,945	142,945	+ 0
Premises – Head Office	50,320	0	50,320	57,120	- 6,800
Income	0	0	0	0	+ 0
Expenditure	50,320	0	50,320	57,120	- 6,800

Table 5

Projects and Corporate items

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Total Projects and Corporate Items	4,263	0	4,263	4,263	+ 0
Partnerships / HLF	0	0	0	0	+ 0
Income	0	0	0	0	+ 0
Salaries	0	0	0	0	+ 0
Expenditure	0	0	0	0	+ 0
Corporate Items	4,263	0	4,263	4,263	+ 0
Expenditure	4,263	0	4,263	4,263	+ 0

Table 6

Contributions from earmarked reserves

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Total contributions from Earmarked Reserves	(542,400)	(130,250)	(672,650)	(672,650)	+ 0
Earmarked Reserves	(542,400)	(130,250)	(672,650)	(672,650)	+ 0
Expenditure	(542,400)	(130,250)	(672,650)	(672,650)	+ 0

Table 7

Net (Surplus) / Deficit

Row Labels	Original budget (Navigation) £	Budget adjustments (Navigation) £	Latest Available Budget (Navigation) £	Forecast outturn (Navigation) £	Forecast outturn variance (Navigation) £
Grand Total	(114,294)	27,080	(87,214)	(166,742)	+ 79,528