



SOUTHWOLD HARBOUR MANAGEMENT COMMITTEE

Thursday, 18 January 2024

Subject	Draft Budget 2024/25
Supporting Officer	Kerry Blair Head of Operations kerry.blair@eastsoffolk.gov.uk
Strategic Director	Kate Blakemore Kate.blakemore@eastsoffolk.gov.uk

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is NOT in the public interest to disclose the exempt information.	N/A
Wards Affected:	Southwold

Purpose and high-level overview

Purpose of Report:

This report presents to the Committee the draft Budget for 2024/25 for recommendation to the Cabinet.

Recommendation:

That having reviewed and commented upon the draft 2024/25 Budget for the Harbour Account (Appendix B), The Southwold Harbour Management Committee recommended it to Cabinet.

Impact Assessment

Governance:

None directly arising from this report.

Environmental:

None directly arising from this report.

Equalities and Diversity:

None directly arising from this report.

Financial:

This is covered in Section 2 below.

Legal:

None directly arising from this report.

Risk:

None directly arising from this report.

Harbour Business Plan Priorities

To be added when the plan is in place.

East Suffolk Council Strategic Plan Priorities

Select the themes of the Strategic Plan which are supported by this proposal:		
T01	Growing our Economy	<input checked="" type="checkbox"/>
T02	Enabling our Communities	<input checked="" type="checkbox"/>
T03	Maintaining Financial Sustainability	<input checked="" type="checkbox"/>
T04	Delivering Digital Transformation	<input type="checkbox"/>
T05	Caring for our Environment	<input checked="" type="checkbox"/>

Background and Justification for Recommendation

1 Background facts	
1.1	The Terms of Reference of the Harbour Management Committee state that the Committee will review and then recommend an annual budget, (including rental charges and central re-charges to the Council) to the Cabinet.
1.2	A schedule of 2024/25 charges and dues for the Harbour, and the Campsite and Caravan Site was considered by the Committee on 9 November 2023 and presented to Cabinet on 2 January 2024.

2 Current position																																																																																																																	
2.1	<p>Appendix A provides an overall summary for the 2024/25 draft budgets for Southwold Harbour and the Caravan Site and Campsite, plus future year budgets to 2026/27. The summary in Appendix A also presents a combined position which is shown below.</p> <table border="1"> <thead> <tr> <th colspan="7">Southwold Harbour and the Caravan and Campsite Income & Expenditure Budget for MTFS Period 2024-25 - 2027-28</th> </tr> <tr> <th>Outturn 2021-22</th> <th>Outturn 2022-23</th> <th></th> <th>Budget 2023-24</th> <th>MTFS 2024-25</th> <th>MTFS 2025-26</th> <th>MTFS 2026-27</th> </tr> </thead> <tbody> <tr> <td>£(91,337.02)</td> <td>£(95,339.00)</td> <td>Mooring Fees/Harbour Dues</td> <td>£(94,000.00)</td> <td>£(94,000.00)</td> <td>£(94,000.00)</td> <td>£(94,000.00)</td> </tr> <tr> <td>£(75,243.50)</td> <td>£(56,491.00)</td> <td>Property Lettings</td> <td>£(60,000.00)</td> <td>£(60,000.00)</td> <td>£(60,000.00)</td> <td>£(60,000.00)</td> </tr> <tr> <td>£(332,994.15)</td> <td>£(361,037.37)</td> <td>Touring Fees</td> <td>£(295,000.00)</td> <td>£(295,000.00)</td> <td>£(295,000.00)</td> <td>£(295,000.00)</td> </tr> <tr> <td>£(217,622.90)</td> <td>£(290,345.80)</td> <td>Static Caravan Fees</td> <td>£(297,000.00)</td> <td>£(297,000.00)</td> <td>£(297,000.00)</td> <td>£(297,000.00)</td> </tr> <tr> <td>£2,033.83</td> <td>£(169,310.83)</td> <td>Other Fees & Charges</td> <td>£(122,400.00)</td> <td>£(122,400.00)</td> <td>£(122,400.00)</td> <td>£(122,400.00)</td> </tr> <tr> <td>£(715,163.74)</td> <td>£(972,524.00)</td> <td>Total Income</td> <td>£(868,400.00)</td> <td>£(868,400.00)</td> <td>£(868,400.00)</td> <td>£(868,400.00)</td> </tr> <tr> <td>£258,319.02</td> <td>£322,262.00</td> <td>Employee Expenses</td> <td>£477,900.00</td> <td>£462,700.00</td> <td>£472,300.00</td> <td>£480,100.00</td> </tr> <tr> <td>£140,817.33</td> <td>£219,867.00</td> <td>Premises Expenses</td> <td>£257,300.00</td> <td>£247,200.00</td> <td>£248,700.00</td> <td>£250,800.00</td> </tr> <tr> <td>£190,397.07</td> <td>£180,309.00</td> <td>Supplies & Services</td> <td>£150,100.00</td> <td>£150,100.00</td> <td>£150,100.00</td> <td>£150,100.00</td> </tr> <tr> <td>£589,533.42</td> <td>£722,438.00</td> <td>Total Cost</td> <td>£885,300.00</td> <td>£860,000.00</td> <td>£871,100.00</td> <td>£881,000.00</td> </tr> <tr> <td>£(125,630.32)</td> <td>£(250,086.00)</td> <td>Total Direct Income/Expenditure</td> <td>£16,900.00</td> <td>£(8,400.00)</td> <td>£2,700.00</td> <td>£12,600.00</td> </tr> <tr> <td>£105,800.00</td> <td>£105,600.00</td> <td>Support Recharges</td> <td>£109,800.00</td> <td>£130,000.00</td> <td>£132,800.00</td> <td>£135,800.00</td> </tr> <tr> <td>£105,800.00</td> <td>£105,600.00</td> <td>Total Indirect Income/Expenditure</td> <td>£109,800.00</td> <td>£130,000.00</td> <td>£132,800.00</td> <td>£135,800.00</td> </tr> <tr> <td>£(19,830.32)</td> <td>£(144,486.00)</td> <td>TOTAL INCOME STATEMENT</td> <td>£126,700.00</td> <td>£121,600.00</td> <td>£135,500.00</td> <td>£148,400.00</td> </tr> </tbody> </table> <p>The budget for 2024/25 includes additional planned maintenance work following a condition survey of all Council assets during 2022/23.</p> <p>Employee expenses reflect the recent changes in staffing structure.</p> <p>There are no other significant changes to the budget for next year to highlight.</p> <p>Internal Support Recharges are covered in Section 2.2 below.</p>	Southwold Harbour and the Caravan and Campsite Income & Expenditure Budget for MTFS Period 2024-25 - 2027-28							Outturn 2021-22	Outturn 2022-23		Budget 2023-24	MTFS 2024-25	MTFS 2025-26	MTFS 2026-27	£(91,337.02)	£(95,339.00)	Mooring Fees/Harbour Dues	£(94,000.00)	£(94,000.00)	£(94,000.00)	£(94,000.00)	£(75,243.50)	£(56,491.00)	Property Lettings	£(60,000.00)	£(60,000.00)	£(60,000.00)	£(60,000.00)	£(332,994.15)	£(361,037.37)	Touring Fees	£(295,000.00)	£(295,000.00)	£(295,000.00)	£(295,000.00)	£(217,622.90)	£(290,345.80)	Static Caravan Fees	£(297,000.00)	£(297,000.00)	£(297,000.00)	£(297,000.00)	£2,033.83	£(169,310.83)	Other Fees & Charges	£(122,400.00)	£(122,400.00)	£(122,400.00)	£(122,400.00)	£(715,163.74)	£(972,524.00)	Total Income	£(868,400.00)	£(868,400.00)	£(868,400.00)	£(868,400.00)	£258,319.02	£322,262.00	Employee Expenses	£477,900.00	£462,700.00	£472,300.00	£480,100.00	£140,817.33	£219,867.00	Premises Expenses	£257,300.00	£247,200.00	£248,700.00	£250,800.00	£190,397.07	£180,309.00	Supplies & Services	£150,100.00	£150,100.00	£150,100.00	£150,100.00	£589,533.42	£722,438.00	Total Cost	£885,300.00	£860,000.00	£871,100.00	£881,000.00	£(125,630.32)	£(250,086.00)	Total Direct Income/Expenditure	£16,900.00	£(8,400.00)	£2,700.00	£12,600.00	£105,800.00	£105,600.00	Support Recharges	£109,800.00	£130,000.00	£132,800.00	£135,800.00	£105,800.00	£105,600.00	Total Indirect Income/Expenditure	£109,800.00	£130,000.00	£132,800.00	£135,800.00	£(19,830.32)	£(144,486.00)	TOTAL INCOME STATEMENT	£126,700.00	£121,600.00	£135,500.00	£148,400.00
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2.2	<p>Internal Support Recharges</p> <p>Internal Support Recharges is the cost of the Council's support services to Southwold Harbour and the Campsite and Caravan Site. The costs are recharged at the end of the year, on a basis that reflects the use of those services, using the same methodology applied across other Council services. Following the establishment of the Southwold Harbour</p>																																																																																																																

Management Committee in 2021, it is considered appropriate for these recharges to be reviewed annually for budget setting. This is to ensure the overall recharge reflects the Council's support to the new arrangements and is reasonable.

The below table shows the draft budget for 2024/25 support recharges.

Internal Support Recharges for Southwold Harbour and Caravan and Campsite

Support Recharge	2024/25 Budget	
Accounting Services	£16,800	Covers transactional processing, budget monitoring, budget setting and reporting.
Corporate Expenses (Democratic Services, Comms, Health & Safety, Internal Audit)	£8,800	This is based on a percentage of officer time supporting the service area. For 2024/25 this is Democratic Services and Health and Safety.
Customer Services	£20,000	Based on usage of the call centre and website etc.
Estates/Asset Management	£800	This is based on a percentage of officer time supporting the service areas.
Human Resources	£38,100	Fixed charge per person. This covers all of the HR function (recruitment, payroll, etc).
ICT	£36,800	ICT is also a fixed charge per person to cover the kit that is used plus the systems and tech support and infrastructure and license fees.
Legal Services	£4,000	Legal record their time.
Senior and Corporate Management	£4,700	Proportion of Head of Operations.
Total	£130,000	

Appendix B and C provides the detail budgets for 2024/25 for the Harbour and the Caravan Site and Campsite.

3 How to address current situation

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| 3.1 | For the Committee to review the draft budget for 2024/25 and to recommend to Cabinet. |
| 3.2 | The budget will be approved by Full Council on 21 February 2024 as part of the Council's overall General Fund budget setting for 2024/25. The Council has a statutory duty to set a balanced budget for the coming year. |

4 Reason/s for recommendation

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| 4.1 | To fulfil the Committee's responsibilities in respect of recommending an annual budget to Cabinet. |
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Appendices

Appendices:	
Appendix A	Draft Budget Summary for 2023/24 and MTFS Period 2024/25 to 2026/27
Appendix B	Detailed Draft Budget for 2023/24 and MTFS Period 2024/25 to 2026/27 (Harbour)
Appendix C	Detailed Draft Budget for 2023/24 and MTFS Period 2024/25 to 2026/27 (Caravan and Camp Site)

Background reference papers:	
None	