



**Papers for a meeting of the
FINANCE & PERSONNEL SUB-COMMITTEE**

to be held at

**Eastern IFCA Offices,
6 North Lynn Business Village, Bergen Way, King's Lynn, PE30 2JG**

**17th October 2013
1030 hours**

Meeting: **Finance and Personnel Sub-Committee**

Date: 17 October 2013

Time: 10.30 hours

Venue: Eastern IFCA Office
6 North Lynn Business Village
Bergen Way
King's Lynn
Norfolk
PE30 2JG



"Eastern Inshore Fisheries and Conservation Authority will lead, champion and manage a sustainable marine environment and inshore fisheries, by successfully securing the right balance between social, environmental and economic benefits to ensure healthy seas, sustainable fisheries and a viable industry."

Agenda

- 1 Welcome by the Clerk
- 2 Apologies for absence
- 3 Declaration of Members' interests

Action Items

- 4 Election of Chair & Vice Chair - *Clerk*
- 5 Minutes of the Finance & Personnel Sub-Committee meeting on 25 June 2013 - *Chair*
- 6 Matters Arising
- 7 To receive and recommend to the Authority, Preliminary provisional estimates of expenditure for the period 1 April 2014 to 31 March 2015. - *Hd Fin*
- 8 To receive and note the preliminary provisional forecasts of estimates of expenditure for the period 1 April 2015 to 31st March 2018. - *Hd Fin*
- 9 To receive a report on the External Audit for 2012/2013 carried out by Mazars LLP on behalf of the Audit Commission. - *Hd Fin*
- 10 To receive a report and make recommendations on future accommodation requirements for the Authority. - *CEO*
- 11 To receive a report and make recommendations on proposed deployable office infrastructure. - *CEO*
- 12 To resolve that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for items 9 and 10 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act
- 13 To receive a report on the six month probationary period of two Research Officers and one Engineer/IFCO - *Hd HR*
- 14 To finalise arrangements for the new bank mandate - *Hd Fin*

Information Items

- 15 Update on New Burdens funding and parliamentary review of IFCA's - *CEO*
- 16 Retirement and recruitment of Head of Finance - *Hd HR*

- 17 Recruitment policy & process – *Hd HR*
- 18 HR Update – *Hd HR*
- 19 Any other urgent business
To consider any other items which the Chair is of the opinion are matters of urgency by reason of special circumstances which must be specified

Philip Haslam
Chief Executive Officer
Date: 1st October 2013

Finance & Personnel Sub-Committee

"EIFCA will lead, champion and manage a sustainable marine environment and inshore fisheries, by successfully securing the right balance between social, environmental and economic benefits to ensure healthy seas, sustainable fisheries and a viable industry".



A meeting of the Finance & Personnel Sub-Committee took place at the EIFCA offices, 6 North Lynn Business Village, King's Lynn, on 25th June at 1030 hours.

Members Present:

Cllr Tony Goldson	Chair	Suffolk County Council
Cllr Hilary Cox		Norfolk County Council
Cllr Tony Turner MBE JP		Lincolnshire County Council
Stephen Worrall		Marine Management Organisation

Eastern IFCA Officers Present:

Christine Hurley	Head of Finance
Nichola Freer	Head of Human Resources (HR)

F&P13/10 Welcome by the Chair

The Chair welcomed members to the meeting.

F&P13/11 Apologies for absence

Apologies for absence were received from Mr Barham.

F&P13/12 Declarations of Interest

There were no declarations of interest by Members.

F&P13/13 Minutes of the Finance and Personnel Sub-Committee meeting held on 16th January 2013

Members agreed to accept the minutes of the meeting as a true record of proceedings.

Proposed: Stephen Worrall

Seconded: Councillor Tony Turner

All Agreed

F&P13/14 Matters Arising

F&P13/06 ESTIMATES OF EXPENDITURE: Cllr Turner questioned whether there was any more progress regarding reimbursement of MMO appointee costs. It was noted that as it was EIFCA's decision to make the payments they cannot be reclaimed, and as not paying may result in members not attending meetings it was best to continue paying the expenses.

F&P13/15 Approval of the Statement of Accounts for the year ended 31 March 2013 and authorisation to and from the Authority's Reserve Funds, prior to submission to the full Authority at the Statutory Meeting on the 31st July 2013

The Head of Finance advised that there was a need for members to formally agree that the extract of accounts and Annual Governance Statement be approved and signed. In addition to this authorisation in accordance with Financial Regulations was required for the creation new reserves and transfer of funds to and from Reserves.

The Head of Finance worked through in detail the out-turn and underspend during the financial year 2012/2013, and outlined the majority of the underspend was due to the early sale of FPV ESF Protector III. Other factors included savings in salaries due to staff comings and goings, and unbudgeted income from sampling and Cefas surveys.

Members also considered the three suggested new 'ear-marked' reserves and the reason behind setting this money aside. These reserves were:

1. **Fixed Penalty Fine Fund Reserve:** solely to place funds in from Fixed penalty fines until such a time as it had been decided whether these fines are to be kept by EIFCA or passed on to Defra.
2. **Office Improvements Fund Reserve:** £10,000 had been committed during 2012/2013 for office improvements, however, the project had been delayed and the fund was to carry this money forward until the work was completed.
3. **IVMS Fund Reserve:** during 2012/2013 funds had been included in the Operational Reserve for the purchase/operation of an Inshore Vessel Monitoring System, this project was still being considered and the reserve would preserve the funding until a final decision was made.

After consideration members agreed to adopt the three new reserves, it was then decided the underspend would be transferred as follows:

- Fixed Penalty Fund Reserve - £1,000
- Vessel Replacement Fund Reserve - £530,000 from the sale of ESF Protector III and a further £ 80,293
- Office Improvements Fund Reserve - £10,000
- Legal and Enforcement Fund Reserve - £33,453
- Vehicle Renewal Fund Reserve - £23,758
- Operational Fund Reserve - £65,213
- IVMS Fund Reserve - £300,000 transferred from the Operational Fund Reserve

Whilst these funds were being considered it was noted that should a legal challenge be forthcoming Cllr Turner felt LCC legal department would be able to assist at a very competitive price, the Head of Finance assured members that in such a case several quotes would be sought and LCC would be included.

Mr Worrall was concerned that Auditors may look critically at the level of funds being held in reserves, however the county council representatives felt that as they were committed reserves the auditors would accept the situation.

It was Resolved to:

Approve the Statement of Accounts prior to submission to the full authority meeting on 31st July 2013.

Proposed: Cllr Turner

Seconded: Mr Worrall

All Agreed

Approve and Sign the Annual Return to the Audit Commission which contained an extract of the Statement of Accounts.

Proposed: Mr Worrall

Seconded: Cllr Turner

All Agreed

Authorise in accordance with the Authority's Financial Regulation 3.5 the creation of three 'ear-marked' reserves, and in accordance with the Authority's Finance Regulation 3.4, to authorise transfers of funds to and from 'ear-marked' reserves as outlined in the minutes.

Proposed: Cllr Turner

Seconded: Mr Worrall

All Agreed

F&P13/16 Internal Audit for 2012/2013

As part of the accounting procedure EIFCA use the services of Norfolk Audit Services. Members were provided with their report for 2012/2013 and were asked to approve the report and consider whether they wished to retain their services for the following year.

Members considered the work carried out by the Audit team and approved the report, they also agreed the Authority's accounts should be audited by Norfolk Audit Services for 2013/2014. The Head of Finance was commended for the work she had done in preparing the accounts.

F&P13/17 It was Resolved that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following two items on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act.

Proposed: Mr Worrall

Seconded: Cllr Turner

All Agreed

F&P13/18 Approval of the permanent appointment of the CEO following probationary period

Members Resolved to approve the permanent appointment of Philip Haslam to the role of CEO. It was also Resolved that he be awarded one additional spinal column point effective from 1st April 2013.

Proposed: Cllr Goldson

Seconded: Cllr Turner

All Agreed

F&P13/19 Outcome of the CEO job evaluation exercise

It was Resolved that the job evaluation be accepted as a true reflection of the scale and output of the CEO role.

Proposed: Mr Worrall

Seconded: Cllr Turner

All Agreed

It was Resolved that the position of the CEO between spinal column points 56-61 was appropriate in structural terms.

Proposed: Mr Worrall

Seconded: Cllr Turner

All Agreed

It was Resolved to accept Option 1 of maintaining the status quo with regard to the remuneration for the role with the proviso that a review of all the Authority's pay scale points within the current structure would be carried out in 12 months' time, taking into account the financial climate.

Proposed: Cllr Turner

Seconded: Mr Worrall

It was Agreed that Cllr Cox should meet the CEO to give him feedback from this meeting.

F&P13/20 HR Update

This item was included for information purposes only.

F&P13/21 Any other urgent business

There was no other business.

The meeting closed at 1155 hours

Vision

The Eastern Inshore Fisheries and Conservation Authority will lead, champion and manage a sustainable marine environment and inshore fisheries, by successfully securing the right balance between social, environmental and economic benefits to ensure healthy seas, sustainable fisheries and a viable industry



Finance & Personnel Sub-Committee

Action Item 7

17th October 2013

Preliminary Estimates of Expenditure for the period 1st April 2014 to 31st March 2015

Report by: Christine Hurley – Head of Finance

Purpose of report

To set out the background information and calculations used to determine the Preliminary Estimates for 2014/2015. It is stressed that these are preliminary estimates based upon five months expenditure in 2013/2014. These estimates will be revised and presented again as Provisional Estimates of Expenditure to the FPSC at their meeting in January 2014 for agreement and recommendation to the full Authority at their Statutory meeting at the end of January 2014.

Preliminary estimates have been prepared in order to provide more time for members and their relevant county council officers to consider the future financial requirements of the authority, bearing in mind the current and impending reduction in County Council funding.

Recommendations

Members are asked to consider, note and agree the Preliminary Estimates of Expenditure for 2014/2015.

Background

The Preliminary Estimates of Expenditure for the financial year 2014/2015 are summarised under the main budget headings shown on Table 1 (page 14). The details of expenditure are shown in Tables 2 & 3 (pages 15 & 16) which are attached.

Table 1 also shows the budget approved for the current financial year (2013/2014) and projected outcome for this year. The format of Table 1 shows the Total Estimates of Expenditure less Income including 'New Burden' costs. The New Burden Funding is then deducted from the Total Expenditure less Income to establish the Levy contribution from County Council Funds.

The projected expenditure less income for 2013/2014 shows a saving of £52,047. This saving is made up of an above budget increase in income of £26,075 derived from unbudgeted income from Licence tolls and CEFAS surveys and higher than budgeted bank interest. There have also been savings in expenditure mainly in salaries and vessel costs amounting to £25,972.

The calculation of the Preliminary Estimate for 2014/2015 Table 1 (page 14) shows a virtual stand-still Levy to be funded by the County Councils (+£40) after salary and cost inflation has been accounted for. This means that for the second year a 25% reduction from base levy in 2011 £1,329,236 has been achieved.

Notes on Expenditure

Members may find the notes below helpful in relation to tables 1, 2 & 3 (pages 14, 15 & 16)

Variations from 2013/2014 Budget (including inflation) of the 2013/2014 Projection and 2014/2015 Preliminary Estimate are summarised under the main budget headings in the following table:

	2013/2014 Budget incl inflation £	2013/2014 Projection £	2014/2015 Preliminary Estimate £
Salaries & Wages	930,912	-14,127	+8,928
General Expenditure	209,073	+14,056	+13,341
Departmental Op Costs	61,200	0	-9,900
Vessels	182,474	-25,986	-27,123
Vehicles	23,411	+85	-1,509
TOTAL	1,407,070	-25,972	-16,263

Salaries & Wages

<u>2013/2014 Projection</u>	<u>2014/2015 Preliminary Estimate</u>
<p>a) Salaries have been calculated incorporating the 2012 staff salary review and the 2013 Local Government Services pay award</p> <p>b) Employer's NI contributions are calculated at 2013/2014 rates.</p> <p>c) Employer's pension contributions are calculated at 19.5% pensionable pay.</p> <p>The saving in salaries compared to 2013/2014 Budget is due in part to staff turnover and also part-time working arrangements currently undertaken by certain officers.</p>	<p>a) Salaries have been calculated for the whole complement of staff using the salary rates agreed at the 2012 staff salary review and modified by the 2013 Local Government Services pay award.</p> <p>b) Salary increments are included where appropriate.</p> <p>c) Employer's NI Contributions are calculated at 2013/2014 rates</p> <p>d) Employer's pension contributions are calculated at 20.0% pensionable pay.</p> <p>The increase in salaries compared with 2013/2014 Budget is due to assumed progression of staff through the Salary scales agreed in the 2012 staff salary review including allowances for annual increments.</p> <p>Provision is also made for anticipated increase in employer's pension costs.</p>

General Expenditure

2013/2014 Projection	2014/2015 Preliminary Estimate
<p>Cost increases compared to 2013/2014 Budget are mainly due to:-</p> <ul style="list-style-type: none"> a) Anticipated additional advertising costs related to the mandatory advertisement of the European Marine Site (EMS) Byelaw b) Additional costs of telephones due to the proposed upgrade of all mobile phones to improve communications and networking c) Additional costs of postage associated with the increased postal communication with stakeholders in connection with the necessary consultation relating to the proposed EMS Byelaw. d) Additional costs of equipment hire associated with the proposed acquisition of suitable tracking / communication apparatus to protect the Authority's officers in 'Lone Working' situations. This addresses a Health & Safety requirement. e) Additional costs due to changes to enforcement officers' uniform. <p>These increases are partially offset by anticipated savings in Officers' and Members' Expenses and an assumption of no Rent Increase at the rent review due on 10th December 2013.</p>	<p>Cost increases compared to 2013/2014 Budget are mainly due to:-</p> <ul style="list-style-type: none"> a) An increase in Accommodation costs associated with the costs of re-decoration. This is a mandatory requirement of the office lease. This would be the last time the offices would need decorating before the end of our lease in 2018. b) Anticipated additional advertising costs relating to the advertisement of further Byelaws. c) Additional costs of equipment hire associated with the personal safety / tracking devices to address Lone Working. This cost represents a full year's hire.

Departmental Operational Costs

2013/2014 Projection	2014/2015 Preliminary Estimate
<p>No change from the budgeted costs is anticipated.</p>	<p>Savings due to:-</p> <ul style="list-style-type: none"> a) Reduction in Communication and Development costs as the majority of the bespoke expenditure will have been met in the 2013/2014 projection b) Anticipated savings in Marine Protection expenditure due to the reduced provision for costs associated with further byelaw making procedures.

Vessels

The 2013/2014 budget provided for the operating costs of an enforcement Vessel or vessels which would replace ESF Protector III. At present only one vessel, John Allen, is in service.

There is to be a further comprehensive review of the Authority's enforcement needs and further vessel requirements. At present, the timetable suggests that, depending on the outcome of the review with the possibility of entering into a tendering process and/or a bespoke build, it is unlikely that the entire operating costs included in the 2013/2014 budget will be utilised in 2013/2014 or the whole of 2014/2015. This assumption forms the basis of the cost savings included in the 2013/2014 projection and the 2014/2015 Preliminary Estimates.

<u>2013/2014 Projection</u>	<u>2014/2015 Preliminary Estimate</u>
Savings are due to anticipated lower than budgeted operating costs for the enforcement vessels. These savings are partially offset by:- a) An increase in the cost of moorings due to the three-year rent review. b) An increase in operating costs of Three Counties due to anticipated replacement of the deck-crane at refit. c) Increase Operating costs of Pisces III due to the provision of 'lifting eyes', to enable use with Three Counties.	Savings are due to: a) Assumed lower operating costs as additional enforcement vessel not expected to be operational for the full year. b) No requirement for vessel hire is anticipated. c) Savings in Pisces III operational costs. These saving are partially offset by an increase in berthing and harbour dues associated with the operation of two enforcement vessels.

Vehicles

<u>2013/2014 Projection</u>	<u>2014/2015 Preliminary Estimate</u>
Vehicle operating costs estimated to be close to 2013/2014 budget	Assumed saving in service costs associated with the planned replacement of several of the Authority's older vehicles.

Inflation Contingency

An inflation contingency of 1% on salaries and 2% on prices excluding Rent and Rates is included in the Preliminary Estimate.

Income

<u>2013/2014 Projection</u>	<u>2014/2015 Preliminary Estimate</u>
The increase in income compared to 2013/2014 budget is due to:- a) Unbudgeted income from Licence tolls – so far amounting to £9,625 b) Unbudgeted income from CEFAS in association with a Cobble & Boulder Survey, amounting to £13,500 c) Interest on bonds amounting to £17,950 for the year, plus bank interest.	Income for 2014/2015 includes an estimate of Bank Interest plus a modest allowance for miscellaneous income.

Reserves

The amounts held in EIFCA's ear-marked reserves estimated at 30.09.2013 are set out below:

	£
Fixed Penalty Fine Fund	1,000
ICT Fund	26,242
IVMS Fund	300,000
Legal and Enforcement Fund	75,000
Office Improvement Fund	10,000
Operational Fund	250,000
Research Fund	89,921
Vehicle Renewals Fund	60,000
Vessel Contingency Fund	209,000
Vessel Replacement Fund	<u>821,133</u>
	<u>1,842,296</u>

Levies

The resultant Levies on the constituent County Councils from the Preliminary Estimates of Expenditure for 2014/2015 are:

	Norfolk County Council £	Suffolk County Council £	Lincolnshire County Council £
Contribution from County Council Funds	383,832	288,123	325,010
New Burden Funding Allocation	151,999	114,420	127,726
Total Levy	<u>535,831</u>	<u>402,543</u>	<u>452,736</u>
	38.5%	28.9%	32.6%
<u>For Information</u>			
<u>2013/2014 Total Levy</u>	535,815	402,531	452,724

Preliminary Estimates of Expenditure 2014/2015

Table 1

	2013/2014 Budget Inc. Infl	2013/2014 Act/Proj	2014/2015 Preliminary Estimate
	£	£	£
Salaries & Wages	930,912	916,785	939,840
General Expenditure	209,073	223,129	222,414
<u>Departmental Operational Costs</u>			
Research and Environment	15,300	15,300	15,300
Marine Protection	25,500	25,500	20,000
Communication and Development	20,400	20,400	16,000
<u>Vessels</u>			
Moorings & Harbour Dues	17,540	19,955	21,992
Research Vessel - Three Counties	70,380	78,514	70,514
Enforcement Vessels - ESF			
Protector III/ RIB(S)	76,500	38,224	57,500
Pisces III/Pacific 22	7,854	9,595	5,345
Vessel Hire	10,200	10,200	0
Vehicles	23,411	23,496	21,902
TOTAL EXPENDITURE	£ 1,407,070	£ 1,381,098	£ 1,390,807
INFLATION CONTINGENCY	0	0	17,303
INCOME	-16,000	-42,075	-17,000
EXPENDITURE LESS INCOME	£ 1,391,070	£ 1,339,023	£ 1,391,110
<i>LESS New Burden Funding</i>	<i>-£394,145</i>		£394,145
LEVY to be funded by County Councils	£ 996,925		£ 996,965
Percentage reduction from Base Levy(£1,329,236)	-25.0%		-25.0%

Preliminary Estimates of Expenditure 2014/2015**Table 2**

Details of Expenditure - Salaries & Wages and General Expenditure

	2013/2014 Budget Inc. Infl	2013/2014 Projection	2014/2015 Preliminary Estimate
<u>SALARIES</u>			
Staff Remuneration	734,131	721,099	736,238
Superannuation	139,778	137,286	147,247
National Insurance	57,003	58,400	56,355
TOTAL	930,912	916,785	939,840
<u>GENERAL EXPENDITURE</u>			
<i>Accommodation</i> <i>(Rent, Rates, Insurances, Utilities)</i>			
Rent	27,000	26,000	26,000
Business Rates	12,500	12,127	12,500
Water Rates	408	520	550
Service Charges	2,938	3,194	3,194
Insurance - Buildings	357	395	400
Insurance Office & General	17,500	17,678	18,000
Electricity	3,675	3,500	3,570
Cleaning	2,907	2,950	3,000
Maintenance & Redecoration	1,020	1,000	4,000
TOTAL	68,305	67,364	71,214
<i>General Establishment</i>			
Advertisements & Subscriptions	16,830	24,500	24,500
Legal & Professional Fees	15,300	15,000	15,000
Telephones (Office & Mobile)	6,120	8,000	6,500
Postage & Stationery	6,120	9,000	8,000
Equipment Hire & Renewals	5,100	7,500	9,000
IT Support (including Citrix)	20,153	19,750	19,750
Uniforms & Protective Clothing	5,100	9,000	5,000
Medical Fees	765	765	450
Recruitment	2,000	2,000	2,000
Sundry Expenditure inc. Meeting Costs	3,100	3,000	3,000
TOTAL	80,588	98,515	93,200
<i>Officers' Travel & Subsistence</i>			
General Travel - Fares, Taxis etc	2,570	2,750	2,500
Subsistence Payments	10,200	9,000	9,000
Overnight Subsistence	1,000	1,000	1,000
Hotel - Accommodation & Meals	2,550	2,500	3,500
TOTAL	16,320	15,250	16,000
<i>Members' Travel</i>	6,120	5,000	5,000
<i>Training</i>	37,740	37,000	37,000
TOTAL GENERAL EXPENDITURE	209,073	223,129	222,414
<u>Departmental Operational Costs</u>			
<i>Research and Environment</i>	15,300	15,300	15,300
<i>Marine Protection</i>	25,500	25,500	20,000
<i>Communication and Development</i>	20,400	20,400	16,000

Preliminary Estimates of Expenditure 2014/2015**Table 3**

Details of Expenditure - Vessels & Vehicles

	2013/2014 Budget Inc. Infl	2013/2014 4 Projection	2014/2015 Provisional Estimate
<u>MOORINGS & HARBOUR DUES</u>			
Rent - Sutton Bridge Moorings	15,050	17,465	16,492
Maintenance	765	765	1,500
Berthing & Harbour Dues	1,725	1,725	4,000
TOTAL	17,540	19,955	21,992
<u>RESEARCH VESSEL</u>			
<u>Three Counties</u>			
Maintenance & Repairs	20,400	20,000	20,500
Refit	20,400	27,000	20,500
Insurance & Certification	10,200	9,514	9,514
Fuel	19,380	22,000	20,000
TOTAL	70,380	78,514	70,514
<u>ENFORCEMENT VESSELS</u>			
<u>John Allen/ANO Enforcement Vsl</u>			
Maintenance & Repairs	7,650	15,000	10,000
Insurance & Certification	10,200	4,665	7,500
Fuel	58,650	12,000	35,000
New Vessel Preliminary Costs	0	6,559	5,000
TOTAL	76,500	38,224	57,500
<u>Pisces III/Pacific 22 RIB</u>			
Staff Accommodation	0	0	0
Maintenance & Repairs	2,550	8,000	2,500
Refit	0	0	0
Insurance & Certification	510	845	845
Fuel	4,794	750	2,000
TOTAL	7,854	9,595	5,345
Vessel Hire	10,200	10,200	0
<u>VEHICLES</u>			
Insurance	5,661	5,594	5,750
Fuel & Sundries	13,260	12,500	13,000
Servicing	3,338	4,250	2,000
Vehicle Tracking	1,152	1,152	1,152
TOTAL	23,411	23,496	21,902

Vision

The Eastern Inshore Fisheries and Conservation Authority will lead, champion and manage a sustainable marine environment and inshore fisheries, by successfully securing the right balance between social, environmental and economic benefits to ensure healthy seas, sustainable fisheries and a viable industry



Finance & Personnel Sub-Committee
17th October 2013

Action Item 8

Preliminary Forecast of Estimates of Expenditure for the period 1st April 2015 to 31st March 2018

Report by: Christine Hurley – Head of Finance

Purpose of report

To set out the background information and calculations used to determine the Preliminary Forecast of Estimates of Expenditure for the period 1st April 2015 to 31st March 2018. Preliminary Forecasts of Estimates have been prepared in order to provide more time for members and their relevant county council officers to consider the future financial requirements of the Authority, bearing in mind the current and impending reduction in county council funding.

Recommendations

Members are asked to note the Preliminary Forecasts of estimates of expenditure for the period 1st April 2015 to 31st March 2018.

Background

The Forecasts of estimates of expenditure 2015/2018 use the 2014/2015 budget including inflation as a base.

Salaries and Wages

Salaries in the forecast years are calculated for the whole complement of staff as envisaged in the approved Staff Structure, assuming normal progression through the Authority's agreed new salary scales.

Employer's NI is calculated using 2013/2014 rates.

Employer's pension contributions are calculated at 20.5% & 21.0% and 21.5% of gross pay respectively, in the forecast years.

General Expenditure

Costs are expected to fall in the first forecast year (2015/2016) as there is no requirement for additional costs for re-decoration and advertising costs are anticipated to reduce. Thereafter costs remain stable except for the provision for above inflation increases in business rates.

Departmental Operational Costs

Expenditure for Communication and Development and Marine Protection is anticipated to reduce in the Forecast years. Expenditure relating to Research and Environment is forecast to remain at the same level as the 2013/2014 Provisional Estimate.

Vessels

Costs are anticipated to increase in the first forecast year (2015/2016) as provision is made for the full cost of operating all enforcement vessels. Thereafter costs are forecast to remain stable.

Vehicles

Vehicle costs are forecast to remain stable over the forecast years as it is assumed that as older vehicles are replaced newer vehicles will benefit from more economical running costs and from being in warranty.

Inflation Contingency

No allowance has been made for pay inflation in the forecast years.

An inflation contingency of 2% on prices excluding rent and rates is included in the forecast years.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

List of Background Papers

There are no background papers to this report.

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Preliminary Forecast of Estimates 2015/2018

	2014/2015 Estimate Incl. Infl £	2015/2016 Forecast £	2016/2017 Forecast £	2017/2018 Forecast
<u>SALARIES & WAGES</u>				
Staff Remuneration	743,600	755,174	761,818	766,685
Superannuation	148,720	154,810	159,980	164,838
National Insurance	56,920	58,226	58,952	59,297
TOTAL	949,240	968,210	980,750	990,820
<u>GENERAL EXPENDITURE</u>				
Accommodation	71,868	69,163	69,844	70,400
General Establishment	95,048	90,894	90,984	90,984
Officers' Travel and Subsistence	16,320	16,320	16,320	16,320
Members' Travel	5,100	6,120	6,120	6,120
Training	37,740	37,740	37,740	37,740
TOTAL	226,076	220,237	221,008	221,564
<u>DEPARTMENTAL OPERATIONAL COSTS</u>				
Research and Environment	15,606	15,606	15,606	15,606
Marine Protection	20,400	15,300	15,300	15,300
Communication and Development	16,320	12,240	12,240	12,240
<u>VESSELS</u>				
Moorings & Harbour Dues	22,102	21,592	21,592	21,592
Three Counties				
Operating Costs	71,924	71,924	71,924	71,924
Enforcement Vessels				
RIB(S)				
Operating Costs	58,650	79,050	79,050	79,050
Pisces III/Pacific 22 RIB				
Operating Costs	5,452	5,452	5,452	5,452
TOTAL VESSEL COSTS	158,128	178,018	178,018	178,018
<u>VEHICLES</u>				
Operating Costs	22,340	23,105	23,360	23,615
TOTAL EXPENDITURE	1,408,110	1,432,716	1,446,282	1,457,163
Inflation Contingency		8,180	16,375	24,850
INCOME	-17,000	-15,000	-15,000	-15,000
LEVY (Expenditure less Income)	1,391,110	1,425,896	1,447,657	1,467,013
<i>LESS New Burden Funding</i>	-394,145	-394,145	-394,145	-394,145
LEVY to be funded by County Councils	996,965	1,031,751	1,053,512	1,072,868
Memo Base Levy = £1,329,236 (2010/2011)				

Vision

The Eastern Inshore Fisheries and Conservation Authority will lead, champion and manage a sustainable marine environment and inshore fisheries, by successfully securing the right balance between social, environmental and economic benefits to ensure healthy seas, sustainable fisheries and a viable industry



Action Item 9

Finance & Personnel Sub-Committee meeting

17 October 2013

Report on the External Audit for 2012/2013 carried out by Mazars LLP on behalf of the Audit Commission

Report by: Christine Hurley, Finance Officer

Purpose of report

Members are advised of the outcome of the External Audit of the accounts for the year ended 31st March 2013

Recommendations

Members are asked to Note the External Auditor's certificate and opinion.

Background

The External Audit for EIFCA's accounts for the year ended 31st March 2013 has been completed by Mazars LLP for the Audit Commission.

The External Auditors' Certificate and Opinion was given on 19th September 2013. An unqualified opinion was issued. There were no issues or matters that the External Auditor wished to draw to the attention of the Authority and the opinion states that "the information given in the annual return is in accordance with proper practices, and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met."

In accordance with the Accounts and Audit (England) Regulations 2011 a Notice of Conclusion of Audit and right to inspect the Annual Return has been prepared and displayed on the Authority's notice board together with a copy of the Annual Return.

List of Background Papers

1. Completion of Annual Audit letter from Mazars LLP dated 19th September 2013
2. EIFCA's Annual Return for the year ended 31st March 2013

Vision

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Action Item 11

Finance & Personnel Sub-Committee meeting

17 October 2013

Report by: Philip Haslam, Chief Executive Officer

Purpose of report

To present Members with options and a recommendation regarding the procurement and use of deployable office infrastructure.

Recommendations

It is recommended that Members:

- **Note the contents of this report.**
- **Agree to Option 3.**
- **Direct the CEO to explore the possibilities to borrow a trailer from public agency partners in order to test the utility of the deployable office concept in 2014.**

Background

Eastern IFCA has a mandated requirement to be recognised and heard¹ and to routinely engage with stakeholders². Following investiture in April 2011, Eastern IFCA commenced routine quarterly community meetings throughout the district in July 2012.

Through a process of evaluation, it was judged that these meetings capture the most stakeholders when carried out at a central venue in the early evening. To date, these meetings have been of varying utility. Experience has shown that if there is a particular issue, members of the community will attend to demand action. If there is no particular focal point, attendance is less predictable.

The productivity of the meetings is entirely unpredictable and can entail at least two officers and other Authority members travelling to a venue and remaining there for in excess of two hours to

¹ Defra Success Criterion 7 - *Each IFCA, and IFC authorities as a group, have a vision and plan for future management of inshore fisheries and conservation. This will help them to be a recognised "brand", managing their public voice so that they are respected and trusted for the expertise they offer.*

² Defra Success Criterion 4 - *IFCAs will work across boundaries, engaging effectively with local and central government, other government bodies, other delivery bodies, industry and other NGOs, recreational users and individuals in the work that they do. Through this partnership approach to working IFCAs will deliver the socio-economic and environmental outcomes they were created under the Marine and Coastal Access Act to deliver.*

perhaps speak with a limited number of, if any, stakeholders. The meeting may produce actions which are within the remit of Eastern IFCA to pursue, but routinely there is no tangible output. The investment in terms of officers' time, venue expenses and fuel is not adequately reimbursed through productive engagement. Furthermore, depending on the attitude of the attendees, the intent to engage face to face with stakeholders can be entirely counter-productive in terms of reputation if the responses to issues raised do not meet with collective approval.

Efficiency and Value for money.

There is clearly business to be done with Stakeholders face to face and it is judged more beneficial for Eastern IFCA, both in terms of reputation and delivery of mandated outputs, that officers are enabled to travel to all parts of the district and able to dwell there for more than two hours in order to capture issues, concerns and comments from the widest cross section of stakeholders that can be subsequently translated into tangible action. Furthermore, being able to quickly respond to emergent issues by providing a less transitory presence will demonstrate the commitment of the Authority.

Business Objectives

Recognition. To align with our vision and plan for the future management of inshore fisheries and conservation in the Eastern district, Eastern IFCA needs to be heard by as many stakeholders as possible throughout the district at all times of the year. This will assist the Authority in being a recognised "brand" that is respected and trusted for the expertise it offers.

Engagement. Eastern IFCA is mandated to work across boundaries, engaging effectively with local and central government, other government bodies, other delivery bodies, industry and other NGOs, recreational users and individuals in the work that they do. It is through this partnership approach to working that Eastern IFCA will deliver the socio-economic and environmental outcomes they were created under the Marine and Coastal Access Act to deliver.

Relevance. To remain relevant to all stakeholders Eastern IFCA needs to generate high regard by being demonstrably engaged, proactive and responsive. To this end, it is considered prudent to interact and engage with stakeholders in neutral environments where the burden of travel and time is borne by Authority officers and not stakeholders. It is for consideration that by being able to establish a presence in either coastal or harbour locations and operate as a surgery to enable any stakeholder to drop in at their leisure may empower those who do not wish to voice an opinion at a rowdy public venue and, would help to produce a much greater range of feedback and issues that can be taken for action thereby promoting the effectiveness of the Authority.

Risk reduction. It is apparent that the existing community meetings are used by stakeholders for very different purposes. Some have genuine concerns and raise questions that they would wish to have answered. Others like to take the opportunity to challenge authority or to seek recognition to endorse their perceptions of previous injustices and/or poor management decisions. Often it is the latter who dominate to pursue their particular grievance at the expense of all others which can result in the meeting being derailed. Whilst robust chairmanship can mitigate some of negative rhetoric, it is the effect on the less vociferous attendees that is of concern. Not all stakeholders are comfortable with airing opinions in public and an antagonistic atmosphere is likely to cause them to keep quiet which means that their issue goes unheard and unresolved and as a consequence, negative perceptions of the Authority begin to permeate amongst the more moderate stakeholders. Having control of the venue and managing the numbers such that any engagement is conducted in an atmosphere of mutual respect and derives tangible output will mitigate as much as possible the impact of reputational risk.

Business requirements

Problem. The community meetings as currently conducted are not delivering the requirement of routine engagement of all stakeholders. In addition, the outcome of the meetings is unpredictable and can introduce reputational risk.

Prioritised requirements.

- A means to deliver our messages at a time and place of our choosing based upon the needs of the community
- Efficient use of resources and officers time
- Best value for money
- Ability to reach more stakeholders

Assumptions

- The requirement to routinely engage with Stakeholders and to be recognised and heard will endure
- Stakeholders will continue to attend community meetings
- Eastern IFCA will remain financially viable post CSR 2014
- Eastern IFCA has the means to tow and operate a trailer based office.
- Eastern IFCA will be able to appropriately man a remote office.
- Eastern IFCA IT solutions will be able to operate remotely enabling sufficient connectivity and business processes.

Constraints

- Limited manpower resource
- Limited storage space
- Finite budget

Dependencies

- Suitably qualified and experienced manpower

Options

Option 1 – Status quo

This Option considers and quantifies doing nothing. Quarterly evening meetings will be held and outreach events will be attended.

We currently hold 16 x 2 hour community engagement meetings pa (i.e. 32 hours of community engagement) attended by the approx. 60 different people pa as the same people attend the same meetings each quarter. This requires;

- 100 miles in Peugeot 308 (at 48mpg) costs £15.04 (at 135ppl) = £240.64 pa (based on 16 trips)
- 2 senior officers and 1 IFCA per meeting (4-5 hours each depending on location)
- Venues cost between £30 and £80 (av. £65). 16 meetings = £1040 pa

Costs

Total cost pa (exc. Officer time) = £1280.64

Total cost per trip (exc. Officer time) = £80.04 (based on 16 meetings)

Total cost per hour of stakeholder engagement (exc. Officer time) = £40.02 (based on 32 hours)

By the end of 2013, we will also have attended 14 shows and events with the aquatic tank. The tank has received a lot of positive comments and has attracted press attention including in Eastern Daily Press and Fishing News. It has also proved an excellent way of engaging with stakeholders as all events have been extremely well attended. To attend these events requires;

- The tank and trailer costing c. £10,000 in total however this was a one off purchase and is estimated to last 10 years meaning it cost £1,000 pa
- Entry to the shows varies depending on the event but in total, Eastern IFCA has spent c. £4,300 in entry fees or c. £307 per show
- 5-15 days of officer time depending on the show

Total cost pa (exc. Officer time) = £5,300

Total cost per trip (exc. Officer time) = £378.57

Total cost per hour of stakeholder engagement (exc. Officer time) = £28 (based on 188 hours of events)

Status Quo total pa (exc. Officer time pa) = £6580.64

Advantages

- Established system.
- Costs are known.
- Achievable within current manpower resource.

Disadvantages

- Significant demand on manpower resource.
- The same people attend the community engagement meetings each time.
- Reputational risk associated with Community Engagement meetings.
 - Dominated by commercial sector.
 - Avoided/Dismissed by other stakeholder groups.
 - Narrow geographical focus.
 - Counter productivity – trying to improve the Authorities reputation amongst stakeholders results in poorer perceptions.
- Antagonistic atmosphere often generated by large community engagement meetings affects staff morale.

Option 2 – Buy a branded trailer

This option considers the purchase of a branded, towable, trailer based office

In order to nest it within other core business, it is envisaged that a mobile office would be used for 30 days pa for 5 hours each time. Owning a mobile trailer would enable a degree of reactivity whereby it could be deployed to situate itself within an area to provide an open door to IFCA staff. In addition, the mobility will enable engagement with stakeholders across the breadth of our remit.

As this is an untested concept of operations, it is unknown how many stakeholders this would actually reach. A key constraint is that to derive value for money from the investment it would require a considerable investment of officer time which would add to already crowded portfolios. Furthermore, purchase of the trailer would mean that the tank, which has already been purchased, would perhaps be used less often and therefore reduce the benefit from a substantial investment. Indicative costs would be as follows:

Costs

- Capital outlay c£18,000 - The purchase and branding of a small mobile office/display trailer c£12,000 to buy the shell and c£6000 to brand and kit out.
- Resource outlay c£2,000 pa – comprising fuel, maintenance and storage costs.
 - Fuel: The 4 x 4 with trailer is estimated to do around 24mpg. At a cost of 135p per litre = £30.08 for a 100 mile trip (£902.40 pa – based on 30 trips)
 - Routine maintenance/operating costs
 - Cleaning c. £5 per month. = £60 pa
 - Storage costs £24.34 = £292 pa
 - May need rebranding after 5 years at a cost of c£2,000 = £200pa

Total cost pa (exc. Officer time) = £3746.40

Total cost per trip (exc. Officer time) = £124.88 (based on 30 trips)

Total cost per hour of stakeholder engagement (exc. Officer time) = £24.97 (based on 150 hours)

Advantages

- High visibility and fulfil 'recognised and heard' objective.
- Could be mobilised at short notice.
- Potential to reach a more stakeholders than Option 1.
- Potential to reach a greater breadth of stakeholders than current community Engagement meetings.
- Choice of where to site and minimal costs to attend.
- Lowest cost option per hour of stakeholder engagement.
- Ability to visit more locations than CE meetings.
- Possibility to share with neighbouring IFCA's to bring cost down.

Disadvantages

- Significant demand on manpower resource in order to generate sufficient return on investment.
- Cost of ownership (maintenance, licensing, depreciation).
- Drives secure storage costs.
- Reputational threat – frivolous discretionary spend in current economic climate.
- Higher resource costs than Option 1.
- Risk of underuse and associated negative perceptions.

Option 3 – Borrow or rent a trailer based mobile office

Option 3 presents the middle ground of borrowing a trailer from another public agency, (the Environment Agency may have under-utilised trailers that may be able to be loaned), or renting a trailer from a commercial outlet for a defined period.

This drives down the cost of ownership and negates the requirement for a large capital outlay but it does constrain the ability to react to emerging events/issues.

Costs

It is assumed that the costs to borrow a trailer would be relatively low or perhaps offset by payment in kind in terms of provision of services. Therefore the Resource costs for borrowing a trailer would be broadly similar to those for Option 2.

Indicative costs to hire an appropriate trailer from a commercial outlet are c£6,000 per month.

- Resource outlay c£8,254 pa – comprising hire costs, fuel, maintenance and storage costs.

- Fuel: The 4 x 4 with trailer is estimated to do around 24mpg. At a cost of 135p per litre = £30.08 for a 100 mile trip (£902.40 pa – based on 30 trips)
- Routine maintenance/operating costs
 - Cleaning c. £5 per month. = £60 pa
 - Storage costs £24.34 = £292 pa
 - Rebranding c£1,000

Total cost pa to hire commercially (exc. Officer time) = £8254

Total cost per trip (exc. Officer time) = £275.14 (based on 30 trips)

Total cost per hour of stakeholder engagement (exc. Officer time) = £55.03 (based on 150 hours)

Advantages

- High visibility and fulfil ‘recognised and heard’ objective.
- Could be mobilised at short notice.
- Potential to reach more stakeholders than Option 1
- Reach a wider range of stakeholders than current Community Engagement meetings
- Choice of where to site and minimal costs to attend
- Lowest cost option per hour of stakeholder engagement
- Ability to visit more locations than CE meetings
- No cost of ownership (maintenance, licensing, depreciation)
- Can be hired to exploit periods of maximum officers availability
- Little reputational threat concerning frivolous discretionary spend in current economic climate.

Disadvantages

- Significant demand on manpower resource in order to generate sufficient return on investment
- Reactivity limited to period of borrow/hire only
- Drives secure storage costs
- Higher resource costs than option 1
- Hire cost disproportionately expensive

Option Comparison

Option 1 is for consideration as broader outreach activities this year have been very productive and will be replicated in successive years. That said, it does not immediately address the difficulties with bespoke Community engagement meetings and the relatively narrow attendance from stakeholders groups. In addition, the community engagement activity has demanded a lot of manpower resource and will need to be carefully managed in the future with perhaps fewer, more appropriate events being targeted. It is contended that Eastern IFCA needs to revise its engagement activities with a view to operating in a smarter manner more conducive to a small workforce. As a result option 1, to maintain the status quo, is recommended to be discounted.

Option 2 is attractive as it provides autonomy and choice in where and when to deploy the mobile office which will aid our reputation in terms of reactivity to emergent events/issues. It would be fully branded and provide a tangible and highly visible statement of Eastern IFCA’s intent to be demonstrably present throughout the district. Notwithstanding, it is judged that in the current financial climate the acquisition of an expensive asset for occasional use may introduce risk in terms of accusation of frivolous discretionary spend. Noting the extant demands of manpower resource

there is distinct risk that the asset may spend a good deal of its time in storage and thereby not repay the investment made. For these reasons it is recommended that Option 2 be discounted at this stage.

Option 3 provides the middle ground. It does not drive large capital outlay and does not cause cost of ownership demands. It will allow for a period of pre-planned and reactive outreach at a moment when manpower resource can be best made available. There is risk that once it has been used there will be an ensuing demand for more of the same but it is judged that other display infrastructure can make up for any shortfall. Option 3 is recommended as the most cost efficient and pragmatic way forward. Initial efforts should be directed towards identifying under-used assets owned by other public agencies before considering commercial hire options.

Conclusion

There is clearly business to be done with Stakeholders face to face and it is judged more beneficial for Eastern IFCA, both in terms of reputation and delivery of mandated outputs, that officers are enabled to travel to all parts of the district and able to dwell there for more than two hours in order to capture issues, concerns and comments from the widest cross section of stakeholders that can be subsequently translated into tangible action.

To deliver this output it is recommended that Eastern IFCA authorises the CEO to seek to borrow a trailer based office from a public funded partner organisation in order to prove the utility of the concept in 2014.

**Vision
Vision**

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Information Item 15

Finance & Personnel Sub-Committee meeting

17 October 2013

Report by: Philip Haslam, Chief Executive Officer

Purpose of report

To inform members of the debate concerning the maintenance of provision of New Burdens Funding from Defra.

Recommendations

It is recommended that Members:

- **Note the contents of this report**

Report

Background

The policy context and direction for New Burdens Funding (NBF) is that all new burdens on local authorities must be properly assessed and fully funded by the relevant department³

The definition of New Burdens is: *any policy or initiative which increases the cost of providing local authority services including duties, powers or any other changes that may place an expectation on local authorities. It may include exercising existing powers in different ways.*

The payment mechanism used is via an Area Based Grant (ABG) which is a non ring-fenced general grant allocated according to specific policy criteria rather than general formula. Departments can increase their contributions to ABG throughout Comprehensive Spending Review (CSR) period to pay for policy changes implemented after any Local Government finance settlement. The current provision of NBF is for the lifetime of spending review.

Situation

Defra has received its settlement from the Treasury for the next CSR period and it falls some £200m short of their bid. The Defra finance team has put together options as to how they see the savings being accommodated within their business plan. Ministers were provided with these options for consideration during the summer recess. It is

³ New burdens doctrine Guidance for government departments, Department for Communities and Local Government June 2011

reported that this consideration has been given and that the internal horse trading amongst Defra departments is underway to bid for funds for ongoing work and future initiatives.

The CEO of the Association of IFCAs has been party to many of the discussions and has been directed to provide regular reports to Association members. Following a briefing by Defra at the last AIFCA meeting (17 Sep 13), attended by the Chair and CEO, it is apparent that the moment for IFCAs to engage and influence deliberations is forthcoming.

The CEO of Eastern IFCA has continually reinforced the message that removal of NBF represents the key risk to ongoing provision of mandated IFCA output and that IFCA must be included in any debate from the outset rather than being presented with *fait accompli* in due course. Letters stating this have been lodged with Defra and it is recommended that the Defra process is allowed to continue with scrutiny and reporting provided by CEO AIFCA.

Parliamentary Report on IFCAs

There is a requirement for Defra ministers to provide a report to the House of Commons on the IFCA construct. IFCAs have been advised that this report is considered routine parliamentary business that will provide a situation report highlighting strengths and weaknesses rather than a root and branch review of policy and policy delivery mechanisms. IFCAs have been invited to be part of the drafting process to assure accuracy.

Vision

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Information Item 16

Finance & Personnel Sub-Committee meeting

17 October 2013

Report by: Nichola Freer, Head of HR

Purpose of report

To inform members of the notice of retirement from the Head of Finance and give an update with regard to recruitment of a replacement.

Recommendations

It is recommended that members:

- **Note the contents of the report**

Report

Background

Christine Hurley is our current Head of Finance. She has been a key member of the EIFCA (and ESFJC before that) for some 27 years. Christine announced her intention to retire in August 2013. Christine's leaving date will be 31 December 2013.

Next steps

The role of Head of Finance currently encompasses a Treasurer function with delegated responsibility to manage "In Year" funds, some of which is delegated in turn to the Assistant Finance Officer. The strategic function of the role is to take full part in corporate planning in order to shape the output and enable the formulation of realistic budget forecasts to allow Eastern IFCA to produce mandated outputs whilst reflecting the realities of the local government financial climate. Associated with this is a need to support the CEO in brokering agreement with Finance Directors in our constituent County Councils. There is also a distinct personnel leadership and management function to the role. Based on this, it was agreed that there was little latitude to revise the current IFCA structure and that there was risk in making discretionary changes with the current level of workload and at this point in the IFCA development. It was decided not to dilute the role but seek to recruit a like for like replacement so that the CEO can be fully supported in his role as Responsible Finance Officer and the executive management systems in place can be sustained.

Recruitment adverts have been appropriately placed to attract suitable candidates, which includes our website.

An interview panel has been discussed and agreed with the Chair of the Authority and Chair of the Finance & Personnel Sub-Committee to be made up as follows:

- CEO – Phil Haslam
- Head of HR - Nichola Freer
- Chair of the F&PSC – Cllr Tony Goldson

17 & 18 October 2013 are the provisional dates set aside to conduct interviews.

Vision

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Information Item 17

Finance & Personnel Sub-Committee meeting

17 October 2013

Report by: Nichola Freer, Head of HR

Purpose of report

To inform members of Eastern IFCA's revised recruitment process.

Recommendations

It is recommended that members:

- **Note the contents of the report**

Report

Background

As outlined in agenda item 11 of the Finance & Personnel Sub-Committee meeting of 25/06/13, part of the HR plan to 2015 was to review and update the recruitment process.

Progress

A review of the current recruitment process was carried out in June / July 2013 and a revised process and documentation has been developed and completed during September for future use.

The key developments include;

- A comprehensive policy that clearly sets out our obligations and expectations as an employer. The detail of the end to end process is contained within the policy so that it remains as one user friendly document
- Focus towards the candidate 'experience' by introducing clear lines of responsibility and service level agreements in terms of turnaround & communication timelines at each stage
- A set of standard letter templates to ensure consistency with the correspondence that is sent
- A set of supporting forms to help our management team to make balanced, objective decisions at each stage of the process

Appendix 1 contains the revised Recruitment Policy. Due to the size of the documentation, the supporting letters and forms templates have not been included. The Head of HR will be pleased to forward these documents to individual members should they request them.



RECRUITMENT & SELECTION POLICY

Sept 2013

CONTENTS

- 1 Introduction
- 2 Establishing the vacancy
- 3 Selection criteria
- 4 Sourcing candidates
- 5 Receiving applications
- 6 Shortlisting applicants
- 7 The interview process
- 8 Unsuccessful candidates
- 9 Successful candidates

1. Introduction

The Authority recognises that their staff are their greatest asset and is committed to ensuring that its recruitment and selection processes are efficient, effective and fair. By adhering to these guidelines we ensure that our practises reflect good practice and are free from bias and discrimination.

The Authority also recognises that it is unlawful for an employer to discriminate against a candidate for a job because of their age, disability, race, religion or belief, sex, sexual orientation, gender reassignment, marriage or civil partnership, pregnancy or maternity in any part of the recruitment process. Selection criteria and procedures are regularly reviewed to ensure that individuals are treated on the basis of their relevant merits and abilities.

The following guidelines set out the processes that should be followed when recruiting.

2. Establishing the vacancy

A vacancy presents an opportunity to consider restructuring, or to reassess the requirements of the job. This assessment is valid whether it is to fill an existing job or a new one. It should not be assumed that vacancies will be filled on a like for like basis.

The following questions should be considered:

- Is a direct replacement required?
- Does all or some of the work done by the previous post holder need to continue?
- Have work patterns, new technology altered the job, which will require different skills?
- Has the workload been too light/too heavy?
- Can any of the work be reallocated?
- Could the job be done on any other basis? For example do the duties need to be covered full time? Is it suitable for job sharing/job splitting or other flexible arrangements?
- Could the post be considered as an Apprenticeship?
- Have the reporting relationships changed?
- Have the relationships with other posts changed?
- Do future changes/uncertainty mean that a temporary position should be considered? Could the work be covered by an independent contractor/provider?
- Does the post seem to have a high turnover? If so why? How can this be changed?
- Exit Interviews or consultation with the current post holder (and colleagues) may also produce useful ideas about possible change.

Answers to these questions should help to clarify the actual requirements of the job and how it fits into the rest of the organisation or department.

Any changes to the role following the answers to the above questions may result in the need to review the job description. Any review of the job description should be done in conjunction with HR and signed off by the CEO.

The Executive forum will confirm that the vacancy exists and that there is a business need to fill it.

3. Selection Criteria

Once authorisation has been given that the vacancy can be filled, then appropriate selection criteria should be drawn up.

The selection criteria is gathered from the job description relevant to the role. The essential and preferred skills section on the **Shortlist Decision form** should be completed using the information from the appropriate job description.

4. Sourcing candidates

A job advert will need to be written to attract suitable candidates. This will be written by HR in conjunction with the relevant Head of Function.

Internal advertising

The Authority is committed to internal development and progression and as such will ensure that all vacancies are advertised internally in the first instance.

Review of recent applications

If the internal route fails to provide suitable candidates, then a review of our database of applications within the last 6 months should be undertaken to identify if any recent applicants possess a skill set that fits with the selection criteria for the vacant role.

If this route also fails to provide suitable candidates, then appropriate external methods will be used.

External advertising

To ensure effective advertising reaches the widest number of suitable candidates it will be necessary to target the appropriate audience – the advert media must be considered carefully and be appropriate to the vacancy.

As a minimum the Authority's website and the Jobcentreplus will be used when advertising externally.

Media avenues for external advertising must be costed and approved by the Head of HR before being used.

5. Receiving applications

The Authority requires all applicants to complete the EIFCA Job Application form. This applies to all advertised posts. Arrangements can be made to support applicants who have difficulty in completing the form as a result of a disability related reason.

A C.V and / or letter on its own will not be accepted as an application and the applicant will be requested to complete the Job Application Form.

Completed application forms may be received either electronically or via the post. All completed forms received will be entered onto the **Applicant Tracker** by the Administration Team.

Letter RL02 confirming receipt of application will be sent to each applicant at the point of being entered onto the Applicant Tracker. This will be sent using the same medium as the application form was received by the Authority.

Recruitment monitoring

When candidates apply for posts with the Authority they have to complete the recruitment monitoring section of the application form (however they are able to select 'prefer not to disclose' against questions). This information is kept confidential and separate from the application forms and will not be made available to those selecting candidates for interview so that it does not inform the recruitment process.

The information collated from this source assists the Authority:

- to work towards a workforce which represents the population of its district
- to identify the groups that applications are attracted from in order to better inform our advertising approach
- in workforce planning, including recruiting and training future workforce entrants
- to monitor the reality of its diversity policy

- to identify any potential unfair discrimination issues in order that they may be investigated and appropriate action taken

6. Shortlisting applicants

Shortlisting should be carried out as soon as possible after the closing date and completed in conjunction with the ***Shortlisting Guidelines for Hiring Managers*** document RF03.

The shortlisting panel should involve at least 2 Senior / Executive Officers who will also make up the interviewing panel in order to provide a systematic, consistent approach to the recruitment process. One member of the panel should be the post's direct Line Manager.

Where the recruitment is for an Executive Officer, an appropriate Authority Member should also be included to make up the interview panel.

Each panel member should shortlist and score applicants individually using the information on the ***Shortlist Decision Form***, matching each against the criteria, then jointly pull together a master shortlist. The shortlisting panel may wish to meet to review the candidates and then capture the overall panel score on the *Shortlist Decision Forms* for each applicant.

A *Shortlist Decision Form* should be completed for every application.

The criteria used in shortlisting should be justifiable in terms of the job, have objective validity and apply equally to all candidates. Every application must be read and assessed objectively against the criteria described on the *Shortlist Decision Form* as outlined in section 3 of this document.

Candidates should only be short listed if they meet all the 'essential' elements of the criteria. Where the initial shortlisting exercise produces too long a list of suitable candidates the 'preferred' criteria can be used to narrow the candidates down. It is appropriate to "weight" the essential/preferred criteria in order of importance in arriving at a final shortlist.

It is important not to think of an ideal number to shortlist, otherwise it will be trying to fit candidates around numbers rather than on objective criteria.

It is also important not to make assumptions about the abilities of certain groups for example women/men; people with disabilities; racial groups; individuals of a certain sexual orientation or religious background.

Shortlisting disabled applicants

Applicants are asked to state clearly on the application form if they consider themselves to have a disability under the Equality Act. The Authority offers a guaranteed interview for applicants who have a disability (as defined under the Equality Act 2010) provided they meet the essential criteria for the post.

Once shortlisting has been completed, the hiring manager should ensure that the *Applicant Tracker* is appropriately updated and forwarded to HR so that the appropriate decline letters (RL03 / RL04) can be sent.

7. The interview process

Preparing for the interview

The interview preparation and timetable should be planned at the shortlisting stage. The following considerations should be given:

- Availability of all interview panel members

- Reasonable notice is given to candidates so that adequate preparation can be made by them to attend the interview
- Enough time should be allowed between candidates so that the interview document can be fully completed
- The interview location is appropriate for the type of interview and numbers of people involved
- The interview location is available at the desired times. The hiring manager is responsible for liaising with the Administration Team to secure availability.
- Once all of the details surrounding the interview are known, the hiring manager is responsible for liaising with the Administration Team to send out the appropriate invite to interview letter (RL05 / RL06 / RL07)

The interviewing panel should agree on the role specific questions to include in the appropriate *Officer Interview Guide*.

Any role specific questions agreed should be approved by HR to ensure they are appropriately and objectively structured to avoid any potential bias or discrimination.

The interview structure

Interviews for all posts will consist of AT LEAST a formal competency based interview using the appropriate Senior Officer / Officer *Interview Guide* (RF005 / RF06).

Specific behavioural questions relating to the Authority's *Behavioural Competency Framework* will be used as part of the Senior Officer interview. These are set out in the *Senior Officer Interview Guide*.

For some roles an additional element will also be included such as a practical assessment. Additional assessments have been developed for some roles. If an assessment is required, it should be developed in conjunction with HR at the preparation stage of the interview process.

The *Interview Guide* has been developed to provide the interviewing panel with consistency when conducting interviews to ensure that every candidate receives the same experience. It consists of the following sections;

- Interviewer introduction and preparation section
- Generic experience and skills section
- Role specific experience & skills section
- Wrap up
- Close
- Post interview steps

The interviewing panel should agree at the preparation stage who will be leading each section of the document.

The *Competency based interview guide for hiring managers* (RF07) is also available to support the preparation of the interviewing panel.

Entitlement to work in the UK

The law on preventing illegal working is set out in sections 15 to 25 of the Immigration, Asylum and Nationality Act 2006. It is the responsibility of the interviewing panel to check that the candidate is entitled to work in the UK. Any copies of documents taken must be verified on the back by one of the interviewing panel to the effect of... 'I certify that this is a true copy of the original documentation, signature, date & job title.' The UK Border Agency website at www.ukba.homeoffice.gov.uk/.../documents/ provides guidance to employers regarding entitlement to work in the UK.

Post interview

At the end of each interview the interviewing panel should individually complete their notes within the *Interview Guide*.

Once all interviews have been completed the interviewing panel should discuss their evidence and agree on the most appropriate score for each answer given based on the collective evidence.

The interviewing panel should complete an **Interview Evaluation Form** (RF09 / RF10) for each candidate based on their collective evidence. This form will be used as the basis for feedback should any candidate request it.

Once the interviewing panel have agreed on the outcome of the interviews, they should inform HR of the outcome. The outcome of each candidate should also be completed on the Applicant Tracker. The Tracker along with all interview documentation used should be returned to HR for safekeeping.

8. Unsuccessful candidates

The processes below should be followed for unsuccessful candidates:

External candidates

- Decision is communicated to HR
- Letter RL08 / RL09 – Decline / decline & hold after interview letter will be sent to the candidate(s) within 5 working days following the completion of the interview process

Internal candidates

- Decision is communicated to HR
- Appropriate member of the interviewing panel (usually the Line Manager) communicates decision to internal candidate in person
- Line Manager and HR hold a developmental discussion with unsuccessful internal candidate at an agreed time after the decision has been given
- Individual personal development plan is agreed to support the employee to strengthen identified gaps in knowledge / skill

All recruitment information should be held securely for a period of 6 months following the selection process and be appropriately disposed of thereafter.

Feedback

If correct recruitment and selection procedures have been followed then feedback to unsuccessful candidates should be an uncomplicated process.

If a candidate requests feedback then this should be provided to them within 3 working days of their request by a member of the interviewing panel, preferably the hiring manager.

The most helpful method of feedback to the unsuccessful candidate is a one-one meeting, or by telephone, as this allows for interaction and constructive dialogue. If feedback is given verbally, the fact that feedback has been given, together with the date, should be noted on the *Interview Evaluation Form*.

The following should be noted:

- Give feedback which is an accurate and an unbiased summary of the panel's reasons for non-appointment, as per the *Interview Evaluation Form*, in relation to the agreed selection criteria for the post.
- Do not give elaborate explanations for the reason(s) the candidate was unsuccessful as they may lead to the candidate objecting to the reasons, and engaging in a pointless dialogue. Explanations should be concise and to the point and reflect the details on the *Interview Evaluation Form* only.
- Be tactful and constructive in giving feedback. Indicate any areas where it was considered that their skills, experience etc were not yet at the required level, and

if applicable, suggest ways for enhancing them. (Candidates are often very disappointed because they did not get the job and it is important that the information is not conveyed to them in a way that is de-motivating).

- Do not give personal views of the suitability of the applicant.
- Do not give feedback on information that did not emerge from the selection process.
- Be careful not to make statements which might imply any unfair discrimination.
- Do not give any information about other candidates.
- Even if it is the case, do not state that the candidate was second best, this can be very demoralising, instead say, "competition was very high and this made making a decision very difficult"

9. Successful candidates

The process below should be followed for successful candidates:

- Decision communicated to HR
- Initial contact made with candidate to verbally offer the role by Line Manager / HR
- Verbal offer is reinforced by a formal written offer letter RL10 sent by HR
- New starter details form, uniform size form & DBS (Disclosure Barring Service) agreement form (where applicable) are sent to successful candidate for completion and return by HR / Administration Team
- Reference checks are completed by HR / Administration Team
- Medical examination (where applicable) to be arranged via the Administration Team
- Contract of employment is drawn up by HR

In addition to the above it is the Line Manager's responsibility to ensure that all necessary uniform and equipment required for the role is ordered through the Administration Team in a timely manner so that they can be issued to the new employee on their first day of employment.

Induction

All employees that join the Authority are subject to a 26 week probationary period. It is the Line Manager's responsibility to ensure that a thorough induction and basic job training is provided for each new employee that covers the whole probationary period, so that the new employee is set up for success in their new role.

Line Managers should ensure that:

- An appropriate induction plan is developed in readiness to issue to the new employee on their first day
- The Day 1 Welcome induction arranged
- All key personnel, uniform and equipment are available on the employee's first day

The ***New Employee Induction – Manager's Guide*** (RF11) should be referred to for the full information around the induction process and Line Manager's responsibility within it.

Appendix 1 – Recruitment standard letters and forms

STANDARD LETTERS

RL01	Speculative enquiries response
RL02	Acknowledgement of completed application
RL03	Decline before interview
RL04	Decline & hold before interview
RL05	Standard Officer invite to interview letter
RL06	Standard Senior Officer invite to interview letter
RL07	Invite to interview letter – Research Officer Post
RL08	Decline after interview
RL09	Decline & hold after interview
RL10	Offer letter template
RL11	Reference request letter & form

STANDARD FORMS

RF01	Application form
RF02	Applicant tracker
RF03	Shortlisting guidelines for hiring managers
RF04	Shortlist decision form
RF05	Officer Interview guide
RF06	Senior Officer Interview guide
RF07	Competency based interview guide
RF08	EIFCA Behavioural Competency Profile
RF09	Officer Interview evaluation form
RF10	Senior Officer Interview evaluation form
RF11	New employee induction – manager’s guide

Vision

The Eastern Inshore Fisheries and Conservation Authority will lead, champion and manage a sustainable marine environment and inshore fisheries, by successfully securing the right balance between social, environmental and economic benefits to ensure healthy seas, sustainable fisheries and a viable industry



Information Item 18

Finance & Personnel Sub-Committee meeting

17 October 2013

Report by: Nichola Freer, Head of HR

Purpose of report

To inform members of the progress of the HR plan to 2015 and specifically an update of the HR activity planned to be completed during this financial year.

Recommendations

It is recommended that members:

- **Note the contents of the report**

Report

Background

As outlined in agenda Item 11 of the Finance & Personnel Sub-Committee meeting of 25/06/13, the HR plan to 2015 was produced in January this year to support the achievement of the high level objectives set by DEFRA. From that the annual HR activity plan for 2013 was produced and agreed by the CEO. This year has been very much focussed on equipping all officers to fulfil their roles and delivering a workforce that;

- Is confident with what is expected of them
- Knows how they are expected to deliver
- Has the capability to deliver

The key activities within the 2013 HR plan are:

- Training & development
- Recruitment & new starters
- Performance review process
- Creation of an employee handbook
- Investors in People (IIP) review & re-accreditation

Progress

Training & Development:

From the last update, the following activity has been completed:

- Detailed training plans have been developed for each function
- Job / individual specific training is currently being undertaken running throughout the remainder of this year
- H&S training has taken place both at management and officer level
- Formal job inductions for boat crew and Research Officers have been developed and our new staff are currently being taken through as appropriate

Recruitment:

A review of the current recruitment process has been completed and revised process and documentation has been rolled out during September for future use.

Performance review process:

From the last update, the following activity has been completed:

- All Officers have contributed to and received performance objectives to achieve throughout the remainder of this financial year
- An interim review of progress towards achievement of objectives is planned for November
- All Line Managers have attended a further workshop regarding personal development planning
- All Officers will participate in personal development planning discussions as part of their interim reviews in November

The basic process will be monitored for the remainder of this year and outputs will be used to progress the quality and robustness of the process into 2014.

Employee handbook:

It was identified that the current employee handbook is out of date and does not represent a purposeful document as would be expected in current employment best practice and legislation.

Work towards creating a new fit for purpose handbook is currently underway and the new handbook will be introduced to all officers at the end of November.

IIP review and re-accreditation:

In November 2010 the organisation was assessed and awarded the IIP core standard recognition. This level of recognition is due to be reviewed in November 2013. The 28 November 2013 is the date that has been set for this review.