



Inshore Fisheries and
Conservation Authority

**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**

**25th June 2014
1030 hours**

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

Date: 25 June 2014

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 Chair
- 2 Apologies for absence
- 3 Declaration of members' interests

Action Items

- 4 Minutes of the Finance & Personnel Sub-Committee meeting on 15 January 2014
- 5 Matters Arising
- 6 To receive and approve the Statement of Accounts for the year ended 31 March 2014 and to authorise transfers to and from the Authority's Reserve Funds, prior to submission to the full Authority at the Statutory Meeting to be held on the 30 July 2014 – *Hd Fin*
- 7 To receive a report on the Internal Audit for 2013/2014 carried out by Norfolk Audit Services - *Hd Fin*
- 8 Sutton Bridge moorings - *HoMP*
- 9 Disposal of FPV Runner - *HoMP*
- 10 Review of MMO appointees - *CEO*
- 11 *To resolve that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for items 12 and 13 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act*
- 12 To approve the permanent appointment of the Head of Finance following probationary period – *Hd HR*
- 13 Employee Relations Update – *Hd HR*

Information Items

- 14 HR Update – *Hd HR*
- 15 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
10 June 2014

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 economical 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 15th January 2014 at 1030 hours.

Members Present:

| | | |
|-------------------------|------------|-----------------------------|
| Cllr Tony Goldson | Chair | Suffolk County Council |
| Mr Peter Barham | Vice Chair | MMO Appointee |
| Cllr Michael Baker | | Norfolk County Council |
| Dr S Bolt | | MMO Appointee |
| Cllr Hilary Cox | | Norfolk County Council |
| Cllr Richard Fairman | | Lincolnshire County Council |
| Cllr Tony Turner | | Lincolnshire County Council |
| Cllr Margaret Wilkinson | | Norfolk County Council |

Eastern IFCA Officers Present:

| | |
|-----------------|------------------------------|
| Philip Haslam | CEO |
| Andrew Bakewell | Head of Finance |
| Nichola Freer | Head of Human Resources (HR) |

F&P14/01 Welcome by the Clerk

The Chair welcomed members to the meeting.

F&P14/02 Apologies for absence

Apologies for absence were received from Cllr Patience (Suffolk County Council) & Mr Worrall (MMO Appointee).

F&P14/03 Declarations of Interest

There were no declarations of interest by Members.

F&P14/04 Minutes of the Finance and Personnel Sub-Committee meeting held on 17th October 2013

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

Proposed: Dr Bolt
Seconded: Cllr Cox
All Agreed

F&P14/05 Matters Arising

There were no matters arising.

F&P14/06 Provisional estimates of expenditure for the period 1 April 2014 to 31 March 2015

The Head of Finance advised that the projections had been updated slightly to include the latest information on expenditure. Current spending indicates there may be a saving on the 2013/2014 budget of about £66,000, this is mainly due to staff members leaving and not being replaced during the current financial year. £66,000 represents approximately 4% of the overall budget. There are still unknown expenses to come during the year, such as the annual refit on RV Three

Counties which will take place in February, whilst there is a budget for this the final costs may exceed the budgeted amount and could consume some of the projected underspend.

Councillor Turner questioned why replacement mobile phones had incurred additional cost when he would have expected a saving. The CEO advised this was due to the phones being upgraded, and more officers being issued with them to ensure more streamlined communication.

Additional postage costs were also questioned as it was believed email should reduce these costs. However consultations to do with the byelaw and other stakeholder engagement necessitate the use of the postal service as not everyone has use of email.

Increased uniform costs were also questioned, this was to ensure the enforcement officers have good quality uniform which is suitable for all aspects of their role.

Dr Bolt noted there was a £300,000 reserve for iVMS and queried whether any progress had been made on this. The CEO advised that once national iVMS policy was determined then EIFCA may elect to help fund the initial provision and fitting of equipment if other funding streams were not available. The intention would be to recover the costs over a period of time. Officers had already engaged with suppliers to advise that schemes to facilitate the supply of equipment avoiding large capital payments from the fishing community would be attractive.

Members Agreed to note and agree the Preliminary Estimates of Expenditure.

F&P14/07 Provisional forecasts of estimates of expenditure for the period 1 April 2015 to 31st March 2018

The Head of Finance advised that the projected figures for 2016/2017 onwards had been amended following changes to the pension calculations which will be effective from then. Overall by 2017/2018 the levy would still be a long way short of the original base levy. The impact of the forecasts would be an increase of approximately £100,000 over a 4 year period.

The future of 'New Burden Funding' was questioned. It was noted that the funding had been extended for a further year until March 2016. After this time there is a general election scheduled which is likely to bring with it a spending review which means it is not possible to agree funding beyond this date. Dr Bolt advised there were three options available to Defra regarding the funding and he was hopeful they would take the option of renaming the funding to something other than 'New Burdens' so that it could be a longer term commitment. In the meantime he believed it should be flagged as a 'risk' after 2015/2016.

Members Agreed to note the Provisional Forecasts of estimates of expenditure for the period 1st April 2015 to 31st March 2018.

F&P14/08 Future Accommodation Options

The CEO reminded members that previously they had tasked him with providing options for potential alternative accommodation, with a view to purchasing.

The CEO had looked into accommodation available locally which met all the Authority's requirements. He had also considered the implications of moving out of the current office accommodation whilst 5 years remained on the lease, he felt the penalty clauses were too high to be able to justify a move of premises in the immediate future.

In addition to the office accommodation the CEO had considered secure storage space for the Authority's equipment which is currently stored off site.

Members considered the options and whilst they still believed the purchase market was optimum at the current time they agreed that the extent of the penalty clauses to get out of the current lease were prohibitively expensive. Of the options provided it was accepted that moving into neighbouring office accommodation would not provide a solution to the storage issues and buying a plot of land for building bespoke accommodation would be too expensive. It was accepted that at the current time the best available option was to find secure storage facilities and for the CEO to keep an eye out for suitable accommodation to purchase.

Councillor Wilkinson advised that the NCC were encouraging multi use of some their properties such as fire stations, libraries etc. and suggested this might provide alternative options to meet either the storage needs or for outstationed workers to use desk space.

Members Agreed that the CEO would initially investigate NCC storage availability, if this was unsuccessful he would negotiate a 5 year lease for storage facilities in close proximity to the office. In the meantime alternative accommodation suitable for purchase would continue to be investigated.

Proposed: Dr Bolt
Seconded: Mr Barham
All Agreed

F&P14/09 Deployable Office Infrastructure

The CEO had previously expressed concern that the current method of holding Community Engagement meetings was not necessarily reaching a wide enough spectrum of stakeholders, equally the meetings were not well attended which brought into question the worth of the meetings.

To counter these concerns the use of a deployable office had been raised previously so that a wider scope of stakeholders could be visited and rather than 'town hall' style meetings, drop-in clinics could be held. At this time members had instructed the CEO to investigate ways of borrowing or renting a deployable office. This had proved cost prohibitive, however, he had been advised by Mr Handford (EA) that they had a trailer of this nature which they were considering selling. The CEO had investigated the trailer and felt that at the price it was being offered it was very favourable, he was also optimistic that it could be IFCA branded for only a nominal sum. If this trailer was purchased it could be trialled for a year to see if it was a more effective means of communication, if not it could be sold either on a cost neutral basis or ideally at a profit to the Authority.

Members agreed to approve the purchase of the trailer as it would provide a professional appearance and would allow access to a variety of conservation sites.

Proposed: Mr Baker
Seconded: Mr Barham
All Agreed

F&P14/10 Introduction of a payback policy related to developmental training funded by EIFCA

The Head of HR advised that in addition to essential job training there are occasions when developmental training is undertaken by individuals which can be very costly and currently there is no ability to recoup any of this outlay should the member of staff leave EIFCA employment within a certain time period. With this in mind research had been done into what mechanism other bodies have in place. Currently NCC have a process in place where the employee will be required to repay 1/24th of the total amount of cost for each month of the 2 year period not completed after conclusion of the course. In the event of failure to complete the course due to leaving employment 100% outlay would be expected to be repaid.

Members were in agreement with the principle but felt it should be included in either the employee handbook or contract to ensure they were aware of the implications prior to going on development training.

It was questioned whether this was a principle which should be carried across all IFCA's, to which the CEO advised our HR is at a more mature stage than other IFCA's and he is willing to share our HR expertise with other IFCA's.

Members Resolved to adopt a payback policy for Developmental training as outlined in the paper.

Proposed: Cllr Cox
Seconded: Mr Barham
All Agreed

F&P14/11 Salary Scale Point Review

It had previously been agreed that a review of scales would take place within a 12 month period. However, the Head of HR questioned whether this was the right time to be considering a review. Taking into account the difficult financial climate the Authority is facing and the fact that the majority of staff had a pay rise in 2013 some of which were quite significant as well as some personnel having handed in their resignations it was questioned whether the review should be postponed until April 2015 which would allow time to look at the current staff structure to check it fits with the workload and would be a better timeframe for carrying out another salary review.

Members Resolved that it would be beneficial to review the staff structure and then review the Salary Scales, it was agreed to postpone the review until April 2015.

Proposed: Dr Bolt
Seconded: Mr Barham
All Agreed

F&P14/12 Exclusion of the Public

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 2 items of business on the grounds that they involve

the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act

Proposed: Chair
Seconded: Cllr Cox

Summary in accordance with Section 100(C)(2) of the Local Government Act 1972

F&P14/13 Report on the six month probationary period of a Mate/IFCO

Members were advised that the mate who had been recruited in May 2013 had completed six months employment with EIFCA. During this period his performance had been reviewed and both his line manager and Head of Function with extremely pleased with the way he had settled into his duties.

Members Resolved to confirm the permanent employment of the Mate/IFCO.

Proposed: Cllr Cox
Seconded: Mr Barham
All Agreed

F&P14/14 HR Update

IIP : The Investors in People Review had taken place in November 2013. All staff members who had taken part had been open and frank with their responses as a result whilst the feedback showed some positive strengths it also recognised there were still some issues with the change from ESFJC to EIFCA. As a result the Authority is seen as 'working with' the IIP standard rather than having attained the standard. There would now be further meetings with IIP, Head HR and the CEO to consider an action plan followed by a further review in November.

The CEO acknowledged the IIP standard was required to ensure the Authority was working to professional standards and providing value for money. He believed some of the issues may have arisen due to staff not making the transition from ESFJC to EIFCA at the same rate, which may be down to poor communication. Peter Barham recalled that previously it had been accepted there was a need to encourage staff involvement, development and communication so this could only be endorsed. Hilary Cox felt the CEO's capability, vision and stamina had been vital in getting EIFCA to where it is now but perhaps it was time to slow down a bit and allow staff time to catch up. The Chair highlighted the Authority had seen a complete change but EIFCA were moving in the right direction as a high flying and very efficient IFCA. He thanked the CEO for his input.

F&P14/15 Any other urgent business

DISCIPLINARY PROCESS: Members were advised that following investigation it had become apparent that the performance of one of the area IFCOs had been found to be inadequate and during the investigation a case of gross misconduct had been uncovered. The officer was disciplined and found to be guilty of gross misconduct, during a subsequent appeal the outcome was upheld, consequently the officer had been dismissed.

The meeting closed at 1158 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 6

25 June 2014

Statement of Accounts for Eastern Inshore Fisheries & Conservation Authority for the year ended 31st March 2014

Report by: Andrew Bakewell – Head of Finance

Purpose of report

It is a Statutory Requirement that the Statement of Accounts be approved and the Audit Commission Small Bodies Annual Return is completed and certified by 30th June in any given year.

Recommendations

Members are asked to:

1. **Approve the Statement of Accounts prior to submission to the full authority Meeting on July 30th 2014.**
2. **Approve and sign the Annual Return to the Audit Commission which contains an extract of the Statement of Accounts at the meeting.**
3. **Authorise in accordance with the Authority's Financial Regulation 3.4, transfers of funds to and from 'ear-marked' reserves as outlined in the foreword (page).**

Background documents

1. Eastern Inshore Fisheries & Conservation Authority Statement of Accounts for the year ended 31st March 2014 (attached)
2. Uncertified Audit Commission Annual Return (copy attached)

EASTERN INSHORE FISHERIES & CONSERVATION AUTHORITY
Statement of Accounts for the year ended 31st March 2013

Foreword

The Accounts and Audit (England) Regulations 2011 have classified Eastern Inshore Fisheries and Conservation Authority as a 'smaller relevant body'.

The Account statements are centred on the Audit Commission Small Bodies Annual Return, which has to be completed and certified on the day the accounts are approved, in this case June 25th 2014. A copy of the return is attached for your information.

The accounting statements on which the return is based are:

1. The Income and Expenditure Account for the year ended 31st March 2014.
2. The Balance sheet for the year ended 31st March 2014.
3. A statement of movement on Reserves.
This details the funds held in the Authority's 'ear-marked' reserves and monies held on behalf of organisations whose funds are managed by but do not belong to the Authority ie. the Wash Fishery Order Fund and the Wash & North Norfolk Coast European Marine Site Project Manager Fund.
4. A schedule of Fixed Assets held at 31st March 2014.
Fixed Assets are valued at cost and no adjustments are made for depreciation. For reporting purposes the 'book' value of fixed assets will usually stay constant until disposed of.
5. Notes to the above.

2013/2014 Out-turn

The Actual Expenditure less Income for the year ended March 31st 2014 was .

The table below shows a comparison of Actual results with 2013/2014 Budget analysed under the main budget headings.

| | 2013/2014 Budget £ | 2013/2014 Actual £ |
|---------------------------------------|--------------------------|--------------------------|
| Salaries | 930,912 | 886,420 |
| General Expenditure | 209,073 | 215,466 |
| <u>Departmental Operational Costs</u> | | |
| Communication & Development | 20,400 | 22,504 |
| Enforcement | 25,500 | 1,971 |
| Research & Environment | 15,300 | 20,955 |
| <u>Vessels</u> | | |
| Moorings & Harbour Dues | 17,540 | 29,394 |
| Three Counties | 70,380 | 65,072 |
| Replacement Enforcement Vessel | 76,500 | 23,326 |
| Pisces III Operating Costs | 7,854 | 11,446 |
| Vessel Hire | 10,200 | |
| Vehicles | 23,411 | 22,093 |
| TOTAL EXPENDITURE | 1,407,070 | 1,298,647 |
| INCOME | | |
| Miscellaneous Income | 16,000 | 58,405 |
| TOTAL INCOME | 16,000 | 58,405 |
| EXPENDITURE LESS INCOME | 1,391,070 | 1,240,242 |

At 31st March 2014 there was a surplus of Income over Expenditure of £150,828 this was mainly due to:-

- a. Salary savings arising from being under budgeted compliment and vacancy management.
- b. Additional unbudgeted income from Licence Tolls, shellfish sampling and CEFAS Angling Surveys
- c. Savings in General Expenditure- members expenses, staff travel and office costs.
- d. Savings in vessel operation following replacement of P3 amounting to £40,000 and £10,200 saved on vessel hire.

Transfers To and From Reserves

1. It is proposed, in accordance with Financial Regulation 3.4, to transfer the following funds arising from the surplus to EIFCA's 'ear-marked' reserves as follows:

- £145,549 from Vessel Replacement reserve for the purchase of John Allen.

- £131,951 to Vessel replacement reserve this will offset spend on John Allen leaving the reserve for future purchases.
- £18,877 from Vehicle replacement reserve for purchase of Isuzu 4x4.
- £18,877 to Vehicle replacement reserve to offset spend on new 4x4 leaving reserve to cover future vehicle replacements. (3 new vehicles currently on order £51,200)

These transfers are also illustrated in the Statement of Movements on Reserve on page

Reconciliation between Box 7 and Box 8 in Section 1 (31/03/2014)Name of small relevant body: Eastern Inshore Fisheries and Conservation Authority

There should only be a difference between Box 7 and Box 8 where the accounts are prepared on an Income & Expenditure basis and where there are year-end adjustments for debtors/prepayments and creditors/receipts in advance (Refer to the Practitioners' Guide Paras. 3.72 to 3.79). Please provide details of the year-end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

| | £ | £ |
|-------------------------------------------------------------------------------------------------------------------------------------|---------|-----------|
| Total of Box 7: Balances carried forward (31/3/2014) | | |
| Deduct: Debtors | | 2,151,769 |
| - HMRC | 19,063 | |
| - | | |
| | 19,063 | |
| Deduct: Payments made in advance (prepayments) | | |
| - | 15,139 | |
| | 15,139 | |
| Total deductions | | 34,202 |
| Add: Creditors | 25,256 | |
| | 25,256 | |
| Add: Receipts in advance | | |
| Lincs. CC levy | 452,724 | |
| Norfolk CC levy | 535,815 | |
| | 988,539 | |
| Total additions | | 1,013,795 |
| Total of Box 8: Total cash and short term investments (31/3/2014) (must agree to the net balances on bank reconciliation) | | 3,131,362 |

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Income and Expenditure Account for the year ended 31st March 2014

| 2012-2013 | | | 2013-2014 | | |
|-----------------|------------------|-----------------------------------|---------------|--------------|------------------|
| £ | £ | <u>INCOME</u> | £ | £ | £ |
| 1,037,060 | | Levies | 996,925 | | |
| 394,145 | | New Burden Funding | 394,145 | | |
| 530,000 | | Sale of Protector | - | | |
| 1,000 | | Fixed Penalty Fine | 500 | | |
| <u>30,380</u> | | Miscellaneous income | <u>58,405</u> | | |
| | 1,992,585 | Sub-total | | 1,449,975 | |
| - | | Equipment Grants | 105,836 | | |
| 1,151 | | Vessel Contingency Fund | 1,093 | | |
| 1,955 | | Vessel Replacement Fund | 1,857 | | |
| 6,950 | | Wash Fishery Order | 10,430 | | |
| <u>39,855</u> | | Wash & North Norfolk Project Fund | <u>41,209</u> | | |
| | 49,711 | Sub-total | | 160,425 | |
| | <u>2,042,296</u> | TOTAL INCOME | | | 1,610,400 |
| | | <u>EXPENDITURE</u> | | | |
| 839,102 | | Salaries | 886,420 | | |
| 177,793 | | General Expenditure | 215,466 | | |
| 24,620 | | Communication and Development | 22,504 | | |
| 6,865 | | Research and Environment | 20,955 | | |
| - | | Enforcement | 1,971 | | |
| 16,304 | | Moorings and Harbour Dues | 29,394 | | |
| 3,165 | | Piscis Operating Costs | 11,446 | | |
| 91,955 | | Three Counties Operating Costs | 65,072 | | |
| 34,565 | | Protector Operating Costs | | | |
| 17,457 | | John Allen Operating Costs | 23,326 | | |
| | | Asset purchases | 270,262 | | |
| 15,000 | | Vessel Hire | | | |
| <u>22,042</u> | | Vehicle Operating Costs | <u>22,093</u> | | |
| | 1,248,868 | Sub-total | | 1,568,909 | |
| - | | Research Fund | | | |
| 1,113 | | Wash Fishery Order Fund | 603 | | |
| <u>26,372</u> | | Wash & North Norfolk Project | <u>36,123</u> | | |
| | 27,485 | Wash Estuary Strategy Group Fund | | 36,726 | |
| | <u>1,276,353</u> | | | | 1,605,635 |
| | 765,943 | INCOME less EXPENDITURE | | | 4,765 |
| | | Movement on Reserves | | | |
| - 300,000 | | IVMS Fund | | | |
| - 1,000 | | Fixed Penalty Fund | - | 500 | |
| - 33,453 | | Legal and Enforcement Fund | | | |
| - 10,000 | | Office Improvement Fund | | | |
| 234,787 | | Operational Fund | | | |
| - | | Research Fund | | | |
| - 23,758 | | Vehicle Renewals Fund | | | |
| - 1,151 | | Vessel Contingency Fund | - | 1,093 | |
| - 612,248 | | Vessel Replacement Fund | | 11,741 | |
| - 5,837 | | Wash Fishery Order Fund | - | 9,827 | |
| - | | Wash Estuary Management Fund | | | |
| <u>- 13,283</u> | | Wash & North Norfolk Project Fund | - | <u>5,086</u> | |
| - 765,943 | | | | | <u>4,765</u> |
| | | | | | |

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Consolidated Balance Sheet at 31st March 2014

| 31st March 2013 £ | | 31st March 2014 £ |
|----------------------|-----------------------------------|----------------------|
| | CURRENT ASSETS | |
| 27,828 | Debtors | 34,202 |
| 1,000,000 | Treasury Deposit | 500,000 |
| 562,707 | Suffolk County Council Deposit | 565,657 |
| 1,046,424 | Cash at Bank | 2,065,682 |
| 12 | Cash in Hand | 23 |
| | CURRENT LIABILITIES | |
| - 489,964 | Creditors | - 1,013,795 |
| <u>2,147,007</u> | NET ASSETS | <u>2,151,769</u> |
| | EAR-MARKED RESERVES | |
| 26,242 | ICT Fund | 26,242 |
| 300,000 | IVMS Fund | 300,000 |
| 1,000 | Fixed Penalty Fund | 1,500 |
| 75,000 | Legal and Enforcement Fund | 75,000 |
| 10,000 | Office Improvement Fund | 10,000 |
| 250,000 | Operational Fund | 250,000 |
| 89,921 | Research Fund | 89,921 |
| 60,000 | Vehicle Renewals Fund | 60,000 |
| 208,518 | Vessel Contingency Fund | 209,611 |
| 964,482 | Vessel Replacement Fund | 952,738 |
| 114,761 | Wash Fishery Order Fund | 124,588 |
| 47,083 | Wash & North Norfolk Project Fund | 52,169 |
| <u>2,147,007</u> | | <u>2,151,769</u> |

Notes to the accounts for the year ended 31st March 2014

1 Levies

| 2012/2013 | | 2013/2014 |
|------------------|-----------------------------|------------------|
| £ | | £ |
| 399,268 | Norfolk County Council | 383,816 |
| 299,710 | Suffolk County Council | 288,111 |
| 338,082 | Lincolnshire County Council | 324,998 |
| 394,145 | New Burden Funding | 394,145 |
| <u>1,431,205</u> | | <u>1,391,070</u> |

Related Party Transactions

The Levies are derived from the Constituent County Councils (as above) who have representative members of the Authority as follows: Norfolk three, Suffolk two and Lincolnshire two. The remaining authority members represent the Environment Agency, the Marine Management Organisation, Natural England and other stakeholder groups (appointed by the MMO).

2 Miscellaneous Income

| 2012/2013 | | 2013/2014 |
|---------------|----------------------------------|---------------|
| £ | | |
| 8,248 | Bank Interest | 20,933 |
| 45 | Sale of Equipment | 3,233 |
| | Miscellaneous receipt | 348 |
| 8,330 | Wash Fishery Order Licence Tolls | 12,250 |
| | Lay Rents | 5,306 |
| | <u>Provision of Services</u> | |
| 3,285 | Shell fish sampling | 2,835 |
| 10,472 | CEFAS surveys | 13,500 |
| <u>30,380</u> | | <u>58,405</u> |

3 Salaries

Only one employee received remuneration exceeding £50,000 during the year.

£50,000 - £60,000 1

4 General Expenditure

| 2012/2013 | | 2013/2014 |
|----------------|--------------------------|----------------|
| £ | | £ |
| 65,227 | Rent, Rates and Services | 82,647 |
| 74,986 | Establishment | 77,061 |
| 3,102 | Officers Travel | 3,508 |
| 15,957 | Officers Subsistence | 11,819 |
| 5,318 | Members Expenses | 2,473 |
| 13,203 | Fisheries Management | 37,958 |
| <u>177,793</u> | | <u>215,466</u> |

5 Debtors

| 2012/2013 | | 2013/2014 |
|---------------|----------------------|---------------|
| £ | | £ |
| 13,420 | HM Revenue & Customs | 19,063 |
| <u>14,408</u> | Sundry Debtors | <u>15,139</u> |
| <u>27,828</u> | | <u>34,202</u> |

6 Creditors

| 2012/2013 | | 2013/2014 |
|----------------|-------------------|------------------|
| £ | | £ |
| 37,240 | Sundry Creditors | 25,256 |
| <u>452,724</u> | Levies in advance | <u>988,539</u> |
| <u>489,964</u> | | <u>1,013,795</u> |

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Statement of Movement on Reserves

| | Balance at 01.04.13 | Income to 31.03.14 | Spend to 31.03.14 | Transfers to/(from) | Balance at 31.03.14 |
|------------------------------------|------------------------|-----------------------|----------------------|------------------------|------------------------|
| ICT Fund | 26,242 | | | | 26,242 |
| IVMS Fund | 300,000 | | | | 300,000 |
| Fixed Penalty Fund | 1,000 | 500 | | | 1,500 |
| Legal and Enforcement Fund | 75,000 | | | | 75,000 |
| Office Improvement Fund | 10,000 | | | | 10,000 |
| Operational Fund | 250,000 | | | | 250,000 |
| Research Fund | 89,921 | | | | 89,921 |
| Vehicle Renewals Fund | 60,000 | | 18,877 | 18,877 | 60,000 |
| Vessel Contingency Fund | 208,518 | 1,093 | | | 209,611 |
| Vessel Replacement Fund | 964,482 | 1,857 | 145,549 | 131,948 | 952,738 |
| Total "Ear-marked" Reserves | 1,985,163 | 3,450 | 164,426 | 150,825 | 1,975,012 |
| Wash Fishery Order Fund | 114,761 | 10,430 | 603 | | 124,588 |
| Wash & North Norfolk Project Fund | 47,083 | 41,209 | 36,123 | | 52,169 |
| TOTAL RESERVES | 2,147,007 | 55,089 | 201,152 | 150,825 | 2,151,769 |

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Schedule of Authority Fixed Assets as at 31.03.2014

| ASSET | | | Value at cost £ |
|-----------------------------------|---------|----------|--------------------------------|
| <u>Vessels</u> | | | |
| Pisces III | | 31.03.99 | 23,216 |
| Three Counties | | 31.07.02 | 914,560 |
| John Allen | | 25.04.13 | 144,349 |
| TOTAL VESSELS AT COST | | | 1,082,125 |
| <u>Vehicles</u> | | | |
| Nissan Navara | AU05UCC | 31.05.05 | 15,500 |
| Renault Clio | AO56PWV | 02.01.07 | 8,860 |
| Peugeot 207SW | AK57EKF | 01.10.07 | 11,135 |
| Peugeot 207SW | AK57EKG | 01.10.07 | 11,135 |
| Ford Tourneo | FG08HEJ | 01.06.08 | 13,267 |
| Peugeot 308SW | AM58SRO | 31.12.08 | 13,500 |
| Peugeot 207SW | AD59NNO | 17.12.09 | 11,990 |
| Peugeot 207SW | AD59NNP | 17.12.09 | 11,990 |
| Isuzu Dmax Eiger | FX14XRY | 31.03.14 | 18,877 |
| TOTAL VEHICLES AT COST | | | 116,254 |
| <u>Equipment</u> | | | |
| Side scan sonar | | 01.04.13 | 53,815 |
| Underwater camera | | 13.06.13 | 28,770 |
| Videoray | | 30.04.13 | 11,108 |
| Sonar imaging software | | 01.06.13 | 13,343 |
| TOTAL EQUIPMENT AT COST | | | 107,036 |
| TOTAL FIXED ASSETS AT COST | | | 1,305,415 |



Small Bodies in England

Annual return for the financial year ended 31 March 2014

Small relevant bodies in England with an annual turnover of £6.5 million or less must complete an annual return in accordance with proper practices summarising their annual activities at the end of each financial year.

The annual return on pages 2 to 5 is made up of four sections:

- Sections 1 and 2 are completed by the person nominated by the body.
- Section 3 is completed by the external auditor appointed by the Audit Commission.
- Section 4 is completed by the body's internal audit provider.

Each body must approve this annual return no later than 30 June 2014.

Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all sections highlighted in red. Do not leave any red box blank. Incomplete or incorrect returns require additional external audit work and may incur additional costs.

Send the annual return, together with your bank reconciliation as at 31 March 2014, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your external auditor by the due date.

Your external auditor will identify and ask for any additional documents needed for audit. Therefore, unless requested, do not send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the body for publication or public display of sections 1, 2 and 3. You must publish or display the audited annual return by 30 September 2014.

It should not be necessary for you to contact the external auditor or the Audit Commission directly for guidance.

More guidance on completing this annual return is available in the Practitioners' Guides for either local councils or internal drainage boards. These publications may be downloaded from the National Association of Local Councils (NALC) or Society of Local Council Clerks (SLCC) websites (www.nalc.gov.uk or www.slcc.co.uk) or from the members area of the Association of Drainage Authorities website (www.ada.org.uk).

Section 1 – Accounting statements 2013/14 for:

Enter name of reporting body here:

| | Year ending | | Notes and guidance |
|------------------------------------------------------------------|--------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | 31 March 2013 £ | 31 March 2014 £ | |
| 1 Balances brought forward | 1,381,064 | 2,147,007 | Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of previous year. |
| 2 (+) Income from local taxation and/or levy | 1,431,205 | 1,391,070 | Total amount of local tax and/or levy received or receivable in the year including funding from a sponsoring body. |
| 3 (+) Total other receipts | 611,091 | 219,331 | Total income or receipts as recorded in the cashbook less income from taxation and/or levy (line 2). Include any grants received here. |
| 4 (-) Staff costs | 839,102 | 886,420 | Total expenditure or payments made to and on behalf of all body employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses. |
| 5 (-) Loan interest/capital repayments | 0 | 0 | Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any). |
| 6 (-) All other payments | 437,251 | 719,219 | Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5). |
| 7 (=) Balances carried forward | 2,147,007 | 2,151,769 | Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6). |
| 8 Total cash and short term investments | 2,609,143 | 3,131,362 | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – to agree with bank reconciliation. |
| 9 Total fixed assets plus other long term investments and assets | 1,035,153 | 1,305,415 | The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the body as at 31 March. |
| 10 Total borrowings | 0 | 0 | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB). |

I certify that for the year ended 31 March 2014 the accounting statements in this annual return present fairly the financial position of the body and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

Date

I confirm that these accounting statements were approved by the body on:

and recorded as minute reference:

Signed by Chair of meeting approving these accounting statements:

Date

Section 2 – Annual governance statement 2013/14

We acknowledge as the members of Eastern Inshore Fisheries and Conservation Authority our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2014, that:

| | Agreed – | | ‘Yes’ means that the body. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Yes | No* | |
| 1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices. | <input checked="" type="radio"/> | <input type="radio"/> | prepared its accounting statements in the way prescribed by law. |
| 2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness. | <input checked="" type="radio"/> | <input type="radio"/> | made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge. |
| 3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of the council to conduct its business or on its finances. | <input checked="" type="radio"/> | <input type="radio"/> | has only done what it has the legal power to do and has complied with proper practices in doing so. |
| 4 We provided proper opportunity during the year for the exercise of electors’ rights in accordance with the requirements of the Accounts and Audit Regulations. | <input checked="" type="radio"/> | <input type="radio"/> | during the year has given all persons interested the opportunity to inspect and ask questions about the body’s accounts. |
| 5 We carried out an assessment of the risks facing the body and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | <input checked="" type="radio"/> | <input type="radio"/> | considered the financial and other risks it faces and has dealt with them properly. |
| 6 We maintained throughout the year an adequate and effective system of internal audit of the body’s accounting records and control systems. | <input checked="" type="radio"/> | <input type="radio"/> | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the body. |
| 7 We took appropriate action on all matters raised in reports from internal and external audit. | <input checked="" type="radio"/> | <input type="radio"/> | responded to matters brought to its attention by internal and external audit. |
| 8 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the body and where appropriate have included them in the accounting statements. | <input checked="" type="radio"/> | <input type="radio"/> | disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant. |

This annual governance statement is approved by the body and recorded as minute reference

dated

Signed by:

Chair

dated

Signed by:

Clerk

dated

*Note: Please provide explanations to the external auditor on a separate sheet for each ‘No’ response. Describe how the body will address the weaknesses identified.

Section 3 – External auditor certificate and opinion 2013/14

Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2014 of:

Eastern Inshore Fisheries and Conservation Authority

Respective responsibilities of the body and the auditor

The body is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The body prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2014; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

External auditor report

(Except for the matters reported below)* on the basis of our review, in our opinion the information 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. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the body:

(continue on a separate sheet if required)

External auditor signature

External auditor name Date

Note: The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled Statement of Responsibilities of Auditors and of Audited Small Bodies.

Section 4 – Annual internal audit report 2013/14 to

Eastern Inshore Fisheries Conservation Authority

The body's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2014.

Internal audit has been carried out in accordance with the body's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the body.

| Internal control objective | Agreed? Please choose one of the following | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|-----------------------|-----------------------|
| | Yes | No* | Not covered** |
| A Appropriate accounting records have been kept properly throughout the year. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| B The body's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| C The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| D The annual taxation or levy or funding requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| F Petty cash payments were properly supported by receipts, all expenditure was approved and VAT appropriately accounted for. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| G Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| H Asset and Investments registers were complete and accurate and properly maintained. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| I Periodic and year-end bank account reconciliations were properly carried out. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| J Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and, where appropriate, debtors and creditors were properly recorded. | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |

For any other risk areas identified by the body (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit: ADRIAN THOMPSON

Signature of person who carried out the internal audit: A. Thompson Date: 21/5/14

*Note: If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

Guidance notes on completing the 2013/14 annual return

- 1 You must apply proper practices for preparing this annual return. Proper practices are found in the Practitioners' Guides* which are updated from time to time and contain everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines if you want to talk through any problem you may encounter.
- 2 Make sure that your annual return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the body, properly initialled and an explanation is provided to the external auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a member or the Chair, to review your annual return for completeness before sending it to the external auditor.
- 4 Do not send the external auditor any information not specifically asked for. Doing so is not helpful. However, you must notify the external auditor of any change of Clerk, Responsible Financial Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your external auditor with the annual return covers all your bank accounts. If your body holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree your bank reconciliation to Box 8 on the Accounting statements. You must provide an explanation for any difference between Box 7 and Box 8. More help on bank reconciliation is available in the Practitioners' Guides*.
- 6 Explain fully significant variances in the accounting statements on page 2. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a complete analysis to support your explanation. There are a number of examples provided in the Practitioners' Guides* to assist you.
- 7 If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2012) equals the balance brought forward in the current year (Box 1 of 2014).
- 9 Do not complete section 3. The external auditor will complete it at the conclusion of their audit.

| Completion checklist – 'No' answers mean you may not have met requirements | | Done? |
|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------|
| All sections | All red boxes have been completed? | |
| | All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit. | |
| | Approval by the body confirmed by signature of Chair of meeting approving the accounting statements? | |
| Section 1 | An explanation of significant variations from last year to this year is provided? | |
| | Bank reconciliation as at 31 March 2014 agreed to Box 8? | |
| | An explanation of any difference between Box 7 and Box 8 is provided? | |
| Section 2 | For any statement to which the response is 'no', an explanation is provided? | |
| Section 4 | All red boxes completed by internal audit and explanations provided? | |

*Note: Governance and Accountability for Local Councils in England – A Practitioners' Guides, is available from NALC and SLCC representatives or Governance and Accountability for Internal Drainage Boards in England – A Practitioners' Guides, is available from the ADA at The Association of Drainage Authorities, 12 Cranes Drive, Surbiton, Surrey, KT5 8AL or from the NALC, SLCC or ADA websites - see page 1 for addresses.

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Bank Reconciliation Financial Year Ending 31 March 2014

Balance per statements as at 31st March 2014

| | | | | |
|------------------------------|----------|--|--------------|---------------------|
| Current (Treasurers) Account | 70348333 | | 250,619.75 | |
| Salaries and Wages | 80348414 | | 29,761.72 | |
| Active Saver | 70348341 | | 1,885,350.23 | |
| Treasury Deposit | | | 500,000.00 | |
| Suffolk County Council | | | 565,657.26 | |
| Petty Cash | | | 22.87 | |
| | | | | <u>3,231,411.83</u> |

| | | | | |
|----------------------------------|----------|------------|-----------|---------------------|
| Less: | | cheque no. | | |
| Unpresented cheques Current A/c | 70348333 | 432 - | 66,000.00 | |
| | | 424 - | 90.00 | |
| BACs not processed | | - | 70,590.92 | |
| Unpresented cheques Salaries A/c | 80348414 | 701059 - | 15,472.23 | |
| | | 701060 - | 81.20 | |
| BACs not processed Pension | | - | 13,815.80 | |
| Salary cheque from Current A/c | | 432 | 66,000.00 | |
| | | | | <u>- 100,050.15</u> |

| | | | | |
|------------------------------|----------|--|--------------|---------------------|
| Net Balances | | | | <u>3,131,361.68</u> |
| Current (Treasurers) Account | 70348333 | | 113,938.83 | |
| Salaries and Wages | 80348414 | | 66,392.49 | |
| Active Saver | 70348341 | | 1,885,350.23 | |
| Treasury Deposit | | | 500,000.00 | |
| Suffolk County Council | | | 565,657.26 | |
| Petty Cash | | | 22.87 | |
| | | | | <u>3,131,361.68</u> |

Cash Book Balance

| | | |
|-----------------------------------|--|---------------------|
| Balance b/f 1st April 2012 | | 2,609,143.69 |
| Money received | | 2,271,646.60 |
| Payments made | | -1,749,428.61 |
| Balance c/f as at 31st march 2014 | | <u>3,131,361.68</u> |

Explanation of significant variances in the accounting statements -Section 1Name of small relevant body: Eastern Inshore Fisheries and Conservation Authority

The Practitioners' Guide (paragraphs 2.15 to 2.27) provides guidance on explaining significant variances. (This is not just a matter for the audit, as it is good practice for the Body to be provided with explanations for differences between one year's income/expenditure and the next, and between budgeted and actual income/expenditure in a year, as part of the normal budgetary control arrangements and when setting the precept.)

Please explain any variances of more than 15% between the totals for individual boxes in Section 1. We do not require explanations for variances of less than £200; however, in some cases there may be compensating variances which leave the overall total for a box relatively unchanged - e.g. where there was a major one-off project in one year, but a totally different expense of a similar size in the next. In such cases, it would be helpful to provide an explanation of movements within each box. We also ask you to explain any change where there is a movement to or from zero. Please either use the proforma below, or complete a separate schedule if more space is required.

| Section | 2012/13 £ | 2013/14 £ | Variance (+/-)£ | Detailed explanation of variance (please include monetary values) |
|---------------------------------------------------------------|--------------|--------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| Box 2 <i>Income from local taxation and/or levy</i> | 1,431,205 | 1,391,070 | -40,135 | Final annual levy reduction to meet County Councils request for 25% reduction over 5 years. |
| Box 3 <i>Other income</i> | 611,091 | 219,331 | -391,760 | Reduced as no asset sale 13/14 (12/13 £530,000) offset by grant receipts of £105,836, Licence income £22,580, interest on investments £12,685. |
| Box 4 <i>Staff costs</i> | 839,102 | 886,420 | +47,318 | Full year of salary review increases, scale point movements and 1% increase. |
| Box 5 <i>Loan interest/capital</i> | | | | |
| Box 6 <i>Other payments</i> | 437,251 | 719,219 | +281,968 | Purchase of new vessel £144,349, new vehicle £18,877 and research equipment £107,036. |
| Box 7 <i>Balances carried forward</i> | 2,147,007 | 2,151,769 | +4,762 | Surplus allocated to earmarked reserves see attached breakdown. |
| Box 9 <i>Fixed assets & long term assets</i> | 1,035,153 | 1,305,415 | +270,262 | New vessel £144,349 New vehicle £ 18,877 Research £107,036 |
| Box 10 <i>Total borrowing</i> | | | | |

Reconciliation between Box 7 and Box 8 in Section 1 (31/03/2014)Name of small relevant body: Eastern Inshore Fisheries and Conservation Authority

There should only be a difference between Box 7 and Box 8 where the accounts are prepared on an Income & Expenditure basis and where there are year-end adjustments for debtors/prepayments and creditors/receipts in advance (Refer to the Practitioners' Guide Paras. 3.72 to 3.79). Please provide details of the year-end adjustments, showing how the net difference between them is equal to the difference between Boxes 7 and 8.

| | | £ | £ |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|---------|-----------|
| Total of Box 7: Balances carried forward (31/3/2014) | | | |
| Deduct: | Debtors | | 2,151,769 |
| | - HMRC | 19,063 | |
| | - | | |
| | | 19,063 | |
| Deduct: | Payments made in advance (prepayments) | | |
| | - | 15,139 | |
| | | 15,139 | |
| Total deductions | | | 34,202 |
| Add: | Creditors | 25,256 | |
| | | 25,256 | |
| Add: | Receipts in advance | | |
| | Lincs. CC levy | 452,724 | |
| | Norfolk CC levy | 535,815 | |
| | | 988,539 | |
| Total additions | | | 1,013,795 |
| Total of Box 8: Total cash and short term investments (31/3/2014) (must agree to the net balances on bank reconciliation) | | | 3,131,362 |

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

25th June 2014

Report on the Internal Audit for 2013/2014

Report by: Andrew Bakewell – Head of Finance

Purpose of report

It is a Statutory Requirement that the result of the Annual Internal Audit is reported to members of the Finance & Personnel Sub-Committee.

Recommendations

Members are asked to:

- **Agree** to receive the report
- **Approve** the appointment of Norfolk Audit Services to carry out the Internal Audit for Eastern IFCA for 2014/2015.

Background

The 2013/2014 Internal Audit was carried out by Norfolk Audit Services.

The Audit letter which provides an outline of the work undertaken and which constitutes the audit certificate is attached.

The overall audit opinion, based on evidence from the work carried out is that the Internal Controls for the Authority are 'Acceptable'. Recommendations contained in the audit report have been agreed and actioned

It is proposed that Norfolk Audit Services are appointed as Internal Auditors for the next financial year 2014/2015. As a 'light touch' audit is to be carried out by external audit it is probably even more important that a 'robust' internal audit is maintained.

Background documents

2013/2014 Internal Audit Report (attached)

Norfolk Audit Services
4th Floor
County Hall
Martineau Lane
Norwich
Norfolk
NR1 2DW

Please ask for: Adrian Thompson
Direct Dialling Number: 01603 222784
Email: adrian.thompson@norfolk.gov.uk

Phil Haslam
Chief Executive Officer
Eastern Inshore Fisheries and Conservation Authority
6 North Lynn Business Village
Bergen Way
Kings Lynn
Norfolk
PE30 2JG

20 May 2014

Dear Mr Haslam,

Internal Audit 2013-14

The Joint Committee for the Eastern Inshore Fisheries and Conservation Authority (EIFCA) appointed Norfolk Audit Services to undertake the internal audit work for the financial year ended 31 March 2014 and to provide the audit report for the year as required in the Annual Return as described in our letter on engagement signed on 24 February 2014.

We have now completed that work and this letter and its appendix provides an outline of the work we have completed.

I would like to thank all concerned for their assistance and co-operation during this audit, and in particular the Head of Finance, the Admin Officer and Finance Assistant and the Chief Executive Officer.

The work we undertook built on the work of previous years internal audit coverage. Appendix A details the areas we have examined, the extent of our coverage and our opinion with respect to each of these areas. In each case I am pleased to report that controls were acceptable.

The responsibility for internal control, completeness and accuracy of records and statements, rests with the Joint Committee and yourself.

The responsibility for internal control includes:

- The ongoing maintenance of internal control,
- financial systems,
- risk management and,
- protection of assets.

The audit work was based on sampling transactions to test the operation of controls. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks identified to the Joint Committee, which exists within the controls that we examined at the time of the audit.

The work has concentrated on assessing the adequacy and effectiveness of financial control by measuring the systems in operation against control objectives. This has included limited detailed checking of records as appropriate. The level of risk resulting from any control weakness has been reviewed and recommendations have been made to reduce the risk to an acceptable level where appropriate.

The audit process seeks to reduce risk to an acceptable level based on the efficient, economic and effective application of financial controls. Changes to controls suggested in audit recommendations are intended to achieve these benefits. This process does not wholly eliminate risk. It is the responsibility of the Joint Committee to safeguard the assets of the service and hence to take reasonable steps to the prevention and detection of fraud and other irregularities.

Our overall audit opinion is based on two grades which are explained in the table below:

| Opinion | Assessment of internal control | Action required from the recipient - as agreed with the auditors |
|--------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Acceptable | Few or no weaknesses, mostly insignificant | Remedial action required. |
| Key issues that need to be addressed | A number of weaknesses, mostly significant or one or more major weaknesses | Remedial action required immediately. |

Our opinion, based on the evidence we have seen as part of this audit, is that internal control for the Joint Committee is "Acceptable".

The three issues highlighted below were identified during the audit and these have been discussed with the Head of Finance and appropriate actions have been agreed.

- The corporate risk register is only formally updated on an annual basis,
- Invoices do not state the date when payment is due,
- Bank reconciliations are not independently reviewed on a timely basis which increases the risk of fraud

The audit of accounts for the year ended 31 March 2013 was undertaken by the external auditors, Mazars. An unqualified opinion was given in relation to the information in that year's Annual Return.

The internal audit report in the Annual Return has also been completed and returned to you separately. I am pleased to report that our conclusions were that in all significant respects all the control objectives were being met to a standard adequate to meet the needs of the body.

I would suggest that a copy of this letter is provided to your external auditors with the Annual Return.

Yours sincerely



Adrian Thompson
Chief Internal Auditor
Norfolk Audit Services

Eastern Sea Fisheries Joint Committee
Internal Audit 2013-14

Appendix A

| Programme | Extent of Coverage / Comments | Opinion |
|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Financial Systems | | |
| Payroll | <p>For two months (January and February 2014) a sample of two employees were tested.</p> <p>Existence of employees confirmed by contracts.</p> <p>The employees' gross pay agreed to the pay scales stipulated in their contract.</p> <p>PAYE and NI deductions were calculated correctly.</p> | Acceptable |
| Debtors | <p>A sample of 5 invoices totalling £12,910 and raised between May 2013 and January 2014 were reviewed:</p> <p>Income received was banked promptly, recorded correctly and based on correct prices.</p> <p>However, invoices do not state when payment is due, there is an expectancy that debtors should assume they are to pay as soon as possible</p> <p>Recommendation</p> <p>Invoices to state the date when payment is due.</p> | Acceptable |

| | | |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | <p><u>Agreed Action Plan</u></p> <p>Invoices will state the date when payment is due.</p> | |
| Creditors | <p>A sample of 10 invoices totalling £14,655 and covering period from April 2013 to February 2014 were reviewed:</p> <p>All invoices were correctly authorised for payment, arithmetically checked, coded appropriately and VAT was accounted for correctly.</p> <p>The process whereby expenditure of over £50 is subject to senior authorisation is adequately followed and the limit will be amended to £250 in the following financial year.</p> <p>As a point of good practice this process will be formally documented.</p> | Acceptable |
| Bank Reconciliation | <p>The February 2014 bank reconciliation was checked.</p> <p>Bank Reconciliations are independently checked and signed on a monthly basis by the Chair of the Statutory Board. However, this process has not been completed since December 2013 due to Chair not being available to carry this out. This increases the risk of fraud.</p> <p><u>Recommendation</u></p> <p>Bank Reconciliations to be independently checked and signed by the Chair or Vice Chair of the Statutory Board on a regular timely basis.</p> | Acceptable |

| | | |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| | Agreed Action Plan | |
| | Bank Reconciliations will be independently checked and signed by the Chair or Vice Chair of the Statutory Board on a regular timely basis. | |
| Asset Management Petty Cash | Vessels are the most significant assets, followed by Vehicles. Workboat certificates were seen during the audit. From a discussion about the processes carried out it appears that controls in place are adequate. The approved float is for £10. Claims made are supported by relevant receipts and VAT appropriately accounted for. | Acceptable Acceptable |
| Budgetary Control | Evidence was seen to support the agreement of the 2014/15 budget by the EIFCA Meeting on 29 January 2014. Budgets are forecast in a three year plan and monitored on a quarterly basis at quarterly Finance and Personnel Sub-Committee and EIFCA meetings. Levies for the year (2012-13) were correctly received and the level and purpose of reserves were agreed by the EIFCA board. | Acceptable |
| Risk Management Arrangements | A risk register is in place and is included within the 2014-15 Annual Plan. The register is reviewed on a quarterly basis, however it is only formally updated annually. Recommendation The risk register to be formally updated on a quarterly basis upon its review. | Acceptable |

| | | |
|--|---------------------------------------------------------------------------------------------------------------|--|
| | Agreed Action Plan The risk register will be formally updated on a quarterly basis upon its review. | |
|--|---------------------------------------------------------------------------------------------------------------|--|

Vision

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Action Item 8

Finance & Personnel Sub-Committee meeting

25th June 2014

Report by: Julian Gregory, Head of Marine Protection

Purpose of report

To update members on progress to secure improved mooring facilities at Sutton Bridge and to agree the way forward.

Recommendations

It is recommended that Members:

- **Note** the contents of this report
- **Agree** to continued negotiations to secure new mooring facilities at Sutton Bridge taking account of the following principles:
 - Achieving best value for the Authority
 - Security of tenure
 - Periodic exit points from contractual obligations
 - Pro-rata capital cost recovery options at agreed exit points
- **Agree** in principle to commit capital expenditure of circa £150k to the moorings in return for an extended period of no or low cost tenancy
- **Direct** the CEO to present proposed contractual arrangements for the provision of mooring facilities for approval by the sub-committee

Background

Eastern IFCA currently operates vessels from the port at Sutton Bridge at the mouth of the river Nene. This has been the case for a number of years and whilst the location is not perfect it provides the best option for access to sea in The Wash in terms of tidal access and available mooring facilities.

The current mooring facility is of sufficient size to cater for a 24m patrol vessel (previously *FPV Protector III*) and the current 16m research vessel, *Three Counties*. In addition the Authority installed a fuel bunkering facility on the site some years ago and a road haulage container is used as a storage facility.

The moorings, which are leased from the Henry Smith charity for an annual cost of circa £20k, are in a poor state of repair and require significant upgrading in order to address health and safety concerns and to meet longer term suitability. Whilst this is acknowledged, at least in part, by the charity they have been reluctant to commit to any substantial development due to the existence of a long-standing project to build a combined leisure and commercial marina facility in the river at Sutton Bridge.

The project involves Lincolnshire County Council and Fenland District Council and it has been beset with difficulties, including issues over ownership of land and the river bed. The charity have been involved in negotiations via their management agent, Smiths Gore and it is understood that it has now been established that the charity do not own the river bed, which has now been registered in the name of the Environment

Agency. It is also understood that there are issues associated with the ownership of land on the river bank, which combined with the riverbed ownership affects the ongoing viability of Eastern IFCA's current moorings.

Eastern IFCA officers have previously been involved on the periphery of the project as Fenland DC have been interested in including our existing moorings and in particular sharing our existing fuel bunker due to difficulties in securing planning permission for new facilities.

Current Position

Lincolnshire CC has previously secured external funding for part of the project and as a consequence of the delays is now required to make commitments within relatively short timescales. This combined with the conclusion of negotiations on the land ownership issues has resulted in proposals for a smaller marina facility to be progressed quickly.

Following contact from Fenland DC with Eastern IFCA officers during early April 2014, initial plans were developed, which provide 50 metres of commercial moorings for Eastern IFCA, 60 metres of commercial moorings for the council's pilot boats/tugs and 60 metres of leisure mooring. The existing Eastern IFCA mooring would be upgraded to be a shared fuel pontoon for Eastern IFCA vessels and the Fenland DC pilot boats/tugs.

The overall cost of the project is estimated to be circa £1m and as an opening for negotiation it was suggested that Eastern IFCA contribute circa £150k in exchange for a long term (10 years+) peppercorn rent.

Given the desire to take things forward in relatively short timescales approval was sought from the Chair of the Finance and Personnel sub-committee, Cllr Tony Goldson, to enter into negotiations to secure new mooring facilities and in principle, to commit to capital expenditure of circa £150k subject to full business case. This was agreed.

A document setting out Eastern IFCA's requirements in relation to the mooring project was produced (Appendix A) and used to inform a meeting with officers from Fenland DC on 6th May 2014. During the meeting there was broad agreement on the initial plan for the moorings (Appendix B) and a capital contribution of circa £150k from Eastern IFCA in exchange for a period of minimal cost moorings for a period to be determined.

There was a clear desire to move quickly and it was anticipated that procurement processes to identify contractors to undertake construction would be expedited and that it was possible that work would be undertaken during 2014. Fenland DC officers undertook to produce Heads of Terms to facilitate a move towards more formal arrangements.

Draft Heads of Terms have yet to be received but Fenland DC officers have advised that work to develop lease arrangements is ongoing and that Fenland DC cabinet are due to consider the revised proposals, including Eastern IFCA involvement, on 19th June 2014.

Observations

A critical factor is that the existing mooring facility for Eastern IFCA vessels is clearly no longer viable. Whilst Smiths Gore, the agents for the H Smith charity, has indicated that they will maintain our lease in the short term this is on the basis that they expect the marina project to reach fruition and they have reached agreement in principle with Lincolnshire CC to participate in the project.

Options for alternative facilities/locations for mooring Authority vessels have been under consideration for some time in light of the potential for change at Sutton Bridge and the poor state of repair of the existing facility.

The status of alternative options can be summarised as follows:

- Sutton Bridge – the only alternative moorings are the pontoons in the port vacated by the wind farm vessels. Whilst these moorings are currently unused exploratory discussions with the Port revealed a strong commercial perspective and indicated that the potential return of wind farm contractors appeared to be of greater interest to them. It was judged that as a consequence security of tenure and cost would be negative factors.
- Wisbech – the inland location and restriction of openings for the A17 road bridge would add to operating costs in terms of time. Operational effectiveness would also be affected.
- Fosdyke and Boston – whilst potentially being able to offer mooring facilities their location would introduce unacceptable travel times from the Eastern IFCA office in Kings Lynn
- Kings Lynn – whilst this would be the preferred location due to proximity to the Eastern IFCA office it does not currently offer appropriate facilities. The Alexandra and Benthic docks offer potential mooring facilities but access to these is via a lock, which is tidally restricted. Moorings on the river front are currently judged to be unsuitable and trot moorings in the river would introduce operating difficulties.
- Wells-next-the-Sea – although the outer harbour may provide suitable facilities its location outside The Wash combined with restricted tidal access and difficult access in northerly winds effectively eliminate it as an option.

It is relevant to note that notwithstanding the requirements for seagoing operations throughout the district The Wash is an important Marine Protected Area and contains the regulated fishery for which the Authority is directly responsible. As such it accounts for a significant proportion of sea based research and enforcement activity. This combined with the geographic location between two of the three constituent counties within the Authority's district and its proximity to the Eastern IFCA office means that there is an assumption that the primary mooring facility should be located in The Wash.

Long term requirements for mooring facilities are difficult to predict as vessel requirements and working practices can change over time. It is suggested that the appropriate approach is to make a reasoned judgement that the Authority will have a requirement to operate its own research and enforcement seagoing assets in the short to medium term and probably in the longer term. As a contingency, it would be appropriate to seek to build in exit points from any contractual arrangements for the medium to long term.

The risk of inappropriate long term contractual arrangements should be balanced against security of tenure as the consequences of losing mooring facilities could, arguably, be more problematic than having surplus facilities given that any surplus would have sub-letting potential.

Conclusion

The impending loss of the mooring facility at Sutton Bridge means that there is no option to maintain the status quo. Similarly, the apparent lack of suitable alternatives leads to the consideration of the new facility at Sutton Bridge solely upon its own merits. The proposed marina would significantly improve mooring arrangements for Eastern IFCA vessels through the provision of fully serviced (water and electricity) pontoon berths. The contractual arrangements have the potential to provide best value and security of tenure for the foreseeable future and it may be possible to negotiate exit clauses to mitigate risks associated with committing to long term arrangements.

Attachments

Appendix A - Eastern IFCA Mooring Requirements
Appendix B - Initial plan

Appendix 'A'

Eastern IFCA Mooring Requirements

Introduction

The purpose of this document is to set out the Authority's requirements for future berthing facilities at Sutton Bridge in order to inform negotiation on involvement with the new marina project.

Current Situation

Eastern IFCA currently leases a mooring facility at Sutton Bridge which, in addition to providing sufficient berthing for the Authority's vessels, also provides a fuel bunker, outside storage space and indoor storage in the form of a 40 foot container.

The vessels currently operated by the Authority are:

- *RV Three Counties* - research catamaran LOA 18m, beam 6.95m, draught 1.3m weight 68 tonnes
- *FPV John Allen* – cabin RIB LOA 11m, beam 3.31m, draught 1m, weight approx. 6 tonnes
- *FPV Pisces* - open RIB LOA 6.5m (often kept on a trailer or aboard *Three Counties*)

Procurement of a second cabin RIB as an enforcement vessel is underway, albeit this is likely to be berthed in Suffolk.

Assumptions

The potential for a long term commitment to the project means that future requirements have to be predicted. This inevitably involves an element of speculation based upon the following assumptions:

1. That Eastern IFCA or a replacement organisation will exist in the long term i.e. 10+ years and will retain the core functions of conservation and fisheries regulation / management
2. That Eastern IFCA (or replacement organisation) will continue with the following activity in furtherance of its core functions:
 - a. Research activity at sea
 - b. Regulation/enforcement activity at sea
 - c. Management of the Wash shellfish fisheries under the Wash Fishery Order 1992 or a replacement order
3. That the Authority will continue to operate one or more vessels in its own right
4. That ready access to the Wash remains a priority
5. That other Wash ports are unsuitable

Essential Requirements

- Circa 40-50 metres of pontoon mooring of sufficient dimensions to safely moor vessels up to 24m LOA and weight 100 tonnes
- Ability to accommodate a modest size increase in a replacement research vessel (will not exceed 24m and any increase in beam is likely to be circa 1 to 1.5m max)
- Shore power for vessels
- Water supply for vessels
- Rubbish disposal facility
- 24/7 access 365 days a year to Authority moorings/vessels
- Adequate security arrangements (e.g. security gate, CCTV)
- Crane facility to hoist/lower equipment to/from the pontoon (facility available on existing mooring)
- Shore side facilities on the quay:
 - Fuel (diesel) tank
 - Oil disposal tank
 - Space for storage facility (currently a 40 foot container)
 - Metered electricity supply for the storage facility
 - Storage area for equipment
 - Space for trailer for *FPV Pisces*
 - Car parking for up to six vehicles

Possible requirements would be:

- Office accommodation – portacabin or permanent
- Access to toilet facilities

Contractual Considerations

The Authority are open minded about the options of capital or assured revenue contributions but would seek to achieve the following in contractual arrangements:

- Security of tenure – agreed minimum period with an assurance of continuation if that is required by the Authority.
- Periodic exit points from contractual obligations i.e. the option to terminate any contract with no financial penalty as a consequence of changing circumstances
- Pro-rata capital cost recovery options at agreed exit points in the event that a capital contribution is made

Vision

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Action Item 9

Finance & Personnel Sub-Committee meeting

25th June 2014

Report by: Julian Gregory, Head of Marine Protection

Purpose of report

To seek a decision from members for the most appropriate means of disposing of *FPV Runner*.

Recommendations

It is recommended that Members:

- **Note** the contents of this report
- **Agree** to select either Option 1, 2 or 3.
- **Authorise** officers to dispose of *FPV Runner* as determined by the preference of the majority of sub-committee members.

Background

FPV Runner is a Ribcraft 4.8m Rigid Inflatable Boat (RIB) fitted with a Honda BF-50hp engine. It was purchased in 2004 and it is understood that the purchase price was circa £14k including a trailer.

Runner has been used almost exclusively as a tender to *RV Three Counties* and has had a fairly hard life supporting the extensive seaborne research undertaken by that vessel. As a consequence *Runner* is in poor condition and has been taken out of service.

The condition of *Runner* can be summarised as follows:

- Hull - no longer watertight with water ingress taking place between the inner and outer skins. Several years ago the integral fuel tanks were found to be leaking. Estimates for repair were prohibitive and as a consequence the tanks were sealed and replaced with a portable fuel tank.
- Inflatable tubes – showing signs of wear and they leak air. Judged to be in need of replacement (estimate from Ribcraft is £3,330 ex-vat)
- Engine – currently not working with damage to piston rings/liners. Estimate for repair is circa £2k and new replacement circa £6k
- Trailer – serviceable

It is suggested that the overall condition of *Runner* means that she is beyond economical repair and as such should be disposed of. Photographs of the vessel can be found at Appendix A.

Value

Given the overall condition of *Runner* it is difficult, if not impossible, to establish a market value. Whilst a well found example of 2002 vintage is currently advertised with an asking price of £5,800 on the Boatsandoutboards website the condition of *Runner* means that she will not be worth anything like this much.

In trying to estimate a value it is, perhaps, helpful to break the overall package down into its component part:

- Hull/tubes – it is unlikely that these have any significant value given the level of disrepair of both the hull and the tubes. It is also unlikely that there is a significant market and any potential purchaser is likely to offer a nominal price.
- Engine – this may have some value for potential repair or as spares. It is difficult to assess what price may be achieved for this particular model but it is likely to be less than £500.
- Trailer – the trailer is operational and may achieve a price somewhere between £350 and £750.

It should be noted that these estimates are based upon experience supported by limited internet based research.

Options

It is suggested that there are three options for disposing of Runner. The first is to offer it for sale as a package, the second to offer the component parts for sale individually and the third is to donate it to a worthy cause.

It should be noted that previous research into the disposal of assets indicated that unlike the procurement of assets there are no formal rules for the disposal of assets. There is, however, an expectation that public money is dealt with appropriately.

Option 1

This option would see Runner offered for sale as a complete package including hull/tubes, engine, trailer and associated equipment. This represents the neatest option with minimal effort from officers aside from advertising on appropriate websites (e.g. Boatsandoutboards, eBay etc.). The price achieved may not be significant but would be determined by the market place.

Option 2

This option would involve the hull/tubes, engine and trailer being offered for sale separately. It may result in higher prices being achieved for some components such as the engine and trailer but could result in the hull/tubes being difficult to sell.

Option 3

This option would see the entire package being offered to a worthy cause either free of charge or for a nominal sum.

Mr Ceri Morgan (MMO appointed member of Eastern IFCA) has suggested that Boston Sea Cadets would be such a worthy cause. Mr Morgan is a volunteer instructor at the unit, which comprises some 30 cadets. Mr Morgan has suggested that *Runner* would be a useful project for the cadets and that work on the engine would help with engineering awards.

In the event that this option is considered preferable there are a number of ways in which it could be achieved. These include offering the vessel on permanent loan, offering it free of charge or offering it for a nominal fee in order to recover some revenue to the public purse.

Conclusion

It can be seen that the overall condition of each of the primary components of the vessel (hull, tubes and engine) combine to make economic repair an unrealistic option.

The market value of the vessel either as a package or with the component parts offered for sale separately is not likely to be significant. As such any revenue raised is unlikely to make a significant contribution to a replacement vessel.

Donating the vessel to the Boston Sea Cadets may be seen as a worthwhile contribution to developing young people in the local maritime environment. It may not, however, be seen as an appropriate way of disposing of assets but this could be addressed by seeking a nominal payment or offering it on long term or permanent loan.

In the event that it is decided to offer *Runner* for sale, it is suggested that officers are given the latitude to decide whether to pursue either Option 1 or Option 2.

Attachments

Appendix 'A' – Photographs of *FPV Runner*

Appendix A



Vision

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Action Item 10

Finance & Personnel Sub-Committee meeting

25 June 2014

Report by: Philip Haslam, Chief Executive Officer

Purpose of report

To update Members on the requirement to review the appointments of Marine Management Organisation (MMO) appointees by 31 March 2015.

Recommendations

It is recommended that Members:

- **Note the contents of this report.**
- **Agree that there is no longer a need to develop a bespoke MMO appointee review process.**

Background

Inshore Fisheries and Conservation Authorities (IFCAs) are made up of a committee and an executive.

The executive is the operational part of the IFCA responsible for enforcement, evidence gathering, communication and development of management measures including byelaws. The executive of each IFCA is headed by either a Chief Officer or Chief Executive, collectively known as "Heads of Service" (HoS).

The committee is the decision making body of the IFCA and is lead by a Chair. It includes one representative each from Natural England, the Environment Agency and the Marine Management Organisation (MMO), a specified number of locally elected members from relevant councils, as well as general members appointed by the MMO. The makeup of the committee of each IFCA is specified in section 5 of the Commencement Order¹ for each IFCA.

In accordance with section 151 of the Marine and Coastal Access Act (2009), the MMO is responsible for appointing local people with relevant expertise to IFCA committees. These general members make up roughly half of IFCA committees and are appointed on a voluntary basis.

Each appointment is made for a period of 4 years, with the possibility of reappointment up to a maximum of 10 years. It is conditional upon the member following terms and conditions for the appointment.

The MMO appoints IFCA members in line with Defra guidance to the MMO on the appointment of committee members to IFCAs. The guidance summarises the MMO's responsibilities to ensure that the appointment process is clear and transparent, in line

¹ Statutory Instrument 2010 No 2189

with the Nolan Principles, and provides the right balance of membership to allow each IFCA fulfil its responsibilities. The guidance also includes a table of the different categories which should be considered for representation on the IFCA

Appointments expire after 4 years and can then be renewed (subject to successful appraisal) with the possibility of reappointment up to a maximum of 10 years.

Appointees will be contacted by the MMO at least 3 months before the expiration of their membership to submit an expression of interest (EOI) in renewing their appointment. MMO will then assess their EOI against:

- Their contribution to the IFCA during their appointment.
- How their expertise matches the current requirements of the IFCA.
- How they have fulfilled the terms and conditions of appointment during their membership.

MMO will consult the IFCA and the MMO rep and will take into account any reported complaints or issues against the member during their appointment.

IFCA input

The MMO guidance describes a mechanism where IFCA's will be formally consulted during the review period and will be given the chance to submit an appraisal on individual members. At the Statutory meeting of 29 January 2014 it was proposed that the Clerk should develop an 'in house' review system for approval by the Finance and Personnel sub committee. Noting the intent of MMO to drive the process this requirement is judged to have been overtaken by events.

Background papers

1. Draft guidance on MMO appointments to the IFCA's: Recruitment, termination and renewal, MMO, April 2014
2. Guidance to the MMO on the appointment of committee members to IFCA's, Defra, April 2010.

Vision

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Information Item 14

Finance & Personnel Sub-Committee meeting

25 June 2014

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

The HR plan to 2015 was developed in 2012 and provides a strategic overview of the key HR activity required to support the achievement of Defra's high level objectives. The key activity planned for 2013-14 has been completed and the focus now turns to the activity required for 2014-15.

Plan

The key activities within the 2014 plan are:

- The development of a competency framework for managers
- Employee engagement
- The development of a framework for succession planning
- Review and update of current people policies
- The development of Line Management capability

Update of specific activity

Recruitment Update:

We have successfully recruited internally for the following positions:

- Project Officer - Luke Godwin, current Marine Environment Officer -Data Lead
- Marine Environment Officer – Consultation Lead – Dan Steadman, currently fulfilling a fixed term contract to support the remainder of EIFCA's transition

We are currently recruiting externally for IFCO & Crew Member and Marine Environment Officer – Data Lead. We have received a healthy response to the vacancies and are confident that these positions will be filled in the near future.

Management Development:

This year we intend to focus attention to the development of our management within the organisation. In April, our line managers attended a 'Managing People' workshop that was facilitated internally by the Head of HR. This workshop also included line managers

from another independent public organisation; Freebridge Housing. This has given our managers an opportunity to build local networks of people within a similar managerial role. Initial feedback has been very positive to this approach.

An opportunity has arisen for the CEO to enrol onto the Institute of Leadership Management (ILM) level 7 course, which focuses on strategic thinking. This course was suggested by the Head of HR to support the CEO in terms of business planning and has been endorsed by the Chair of the Authority. This is a nationally recognised business qualification. Whilst this course has consumed a sizeable amount of the training budget (£4,995), it is recognised that the return on this investment for the organisation will be invaluable in terms of shaping EIFCA's future. It should also be noted that the CEO will be subject to the provisions within the Training Policy for developmental training support.

Employee engagement:

Following the development of EIFCA's core values, we have been working with suggestions and input from the team to develop an employee engagement plan. We are still working through some of the details of the plan with staff, however this should be completed by the end of July 2014. A copy of the plan will accompany the update of HR activity at the next Finance and Personnel Sub-Committee meeting.

We have also undertaken to complete the 'Best Employers' survey for 2014. This is a biannual survey that we took part in during 2012. It is currently a free independent survey set up and supported by ERAS Ltd and Pure Resourcing Ltd (2 local businesses supporting recruitment and management training).

It will be interesting to measure this year's results against those achieved during 2012. Results will be shared later in the year

Management Competency Framework:

A competency framework for managers was created last year as part of the performance review process that was also developed during this time. A decision was taken not to formally introduce it at the time, as the introduction of the basic performance review process was a lot for our managers to take on board.

The framework created has recently been sense checked against our new core values and has now been formally introduced to the management team (Appendix 1). Over the coming months the behaviours within it will be embedded through the PDP, performance review discussions, feedback and coaching.

The plan is to introduce a set of competencies for the rest of our team that dovetail into the management framework.

Appendices:

1. Eastern IFCA Management Competency Framework

Eastern IFCA Behavioural Competency Framework For Managers

| Behaviour | Examples of what 'good' looks like |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Leading | <ul style="list-style-type: none"> • Takes clear responsibility for leadership and sets standards of behaviour. • Projects personality and character to motivate staff to do what is required of them. • Promotes a positive sense of purpose and direction • Pro-actively encourages others buy into the agreed agenda and recognises the interests of team members. • Engages at a personal level and gives carefully judged feedback in relation to specific challenges/issues. • Creates a climate that encourages individuals to pursue development opportunities and builds the strength of the team as a whole. • Trusts team members, gives them space to decide how they approach their work and demonstrates responsibility for them • Inspires, influences, directs and supports others in both routine activities and under stress. • Instils self-esteem, team spirit and unity of effort • Creates early momentum and success • Leads with fairness • Sets an example consistent with public service values and standards • Motivates other to embrace change when change is required • Committed to preventing and dealing effectively with discrimination, harassment and bullying. • Displays appropriate behaviour towards others. |
| Achieving | <ul style="list-style-type: none"> • Exhibits drive to get things done in an appropriate manner. • Shows clear understanding of professional environment. • Carries out the full range of tasks effectively • Demonstrable desire to achieve and/or surpass standards of excellence and deliver business goals, initiating action and making timely decisions. • Drives the pace, completion and delivery. • Seeks to enhance professional knowledge and understanding of new developments. • Demonstrates knowledge of fisheries and conservation matters. • Displays an interest in fisheries and environment policy and wider current affairs (where appropriate). • Creates and grasps opportunities for improvements. • Displays enterprise and is willing to take appropriate action. • Anticipates and resolves problems. |
| Communication & Influencing | <ul style="list-style-type: none"> • Works effectively with others. • Able to communicate effectively using different methods and understanding the impact of our communications. • Uses a variety of influencing approaches tailored to the audience or situation. • Plans influencing interactions e.g. considers desired nature of interaction, timing, context, outcome and anticipates and prepares for the views and agendas of others. • Understands others' verbal and non-verbal cues. • Adapts approach in changing situations to achieve positive outcomes. • Produces logical, fluent, convincing and accurate written work. • Issues direction to staff in a confident, succinct and competent manner. Ensures understanding. |

| | |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Managing</p> | <ul style="list-style-type: none"> • Plans, organises and designates priorities effectively. • Focuses on looking ahead, having a clear plan for achieving objectives and checking progress of the plan. • Allocates resources efficiently and optimises capability within constraints. • Delegates appropriately. • Sets sensible and realistic targets and supports through to successful completion. • Manages change effectively. • Generates enthusiasm and high morale, recognising and rewarding achievement. • Builds and supports successful teams |
| <p>Analysis & judgement</p> | <ul style="list-style-type: none"> • Able to make sense of data/situations and understand what needs to be done. • Able to make sound, timely decisions to promote business success. • Takes acceptable risks to achieve objectives. |
| <p>Managing Self & Confidence</p> | <ul style="list-style-type: none"> • Willing to constructively and confidently give or receive challenge (relating to ideas, actions and behaviours) in the interests of the right outcome, even if it is uncomfortable for themselves and/or others. • Confident in own capability and not threatened by others' challenge. • Remains determined and optimistic even in the face of significant difficulty / • Understands the impact of own emotions on performance and has short-term strategies for overcoming these. • Has strategies for addressing personal development gaps. • Demonstrates a sense of duty and commitment. • Displays loyalty, trustworthiness, conscientiousness and commitment. • Demonstrates physical and moral courage appropriate to the task. • Displays courage to make unpopular and difficult decisions and admit mistakes. • Shows commitment to upholding the values and ethos of public service and Eastern IFCA. • Upholds equality and diversity values. • Displays honesty and integrity. • Exercises self-discipline. • Displays stamina and resilience to cope with occasional extreme circumstances and discomfort (which may be of a physical nature if appropriate to role). • Willing to act as a mentor to others. |
| <p>Teamwork & collaboration</p> | <ul style="list-style-type: none"> • Able to work collaboratively and supportively with colleagues over whom one has no hierarchical authority – underpinned by the belief that this will help the organisation achieve results |

