



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

**to be held
as a Zoom meeting**

**Tuesday
4th August 2020
at
10.30 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



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

Date: 4th August 2020

Time: 10.30 hours

Venue: Online Zoom Meeting

Revised Agenda

- 1 Welcome - *Chair*
- 2 Apologies for absence - *Chair*
- 3 Declaration of Members' interests - *Chair*

Action Items

- 4 Minutes of the Finance & Personnel Sub-Committee meeting on 4th Feb
- 5 Notes of a meeting held on 28th April with the Chair and Vice-Chair which included some Finance & HR Business. *This meeting was held to ensure business matters were discussed in a timely manner due to Covid-19 preventing the scheduled meeting on 5th May.*
- 6 Matters Arising - *Clerk*
- 7 Quarter 1 Payments and Receipts – *Hd Finance & HR*
- 8 Quarter 1 Management Accounts – *Hd Finance & HR*
- 9 Annual Statement of Accounts for year ending March 2020 – *Hd Finance & HR*
- 10 New Burdens Funding update (verbal) - *CEO*
- 11 Office Accommodation update (verbal) – *Hd Finance & HR*
- 12 Vessel Procurement update (verbal) - *CEO*

Information Items

- 13 HR Update – Hd Finance & HR
- 14 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

Julian Gregory
Chief Executive Officer
Date: 27th July 2020

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 & HR Sub-Committee

A meeting of the Finance & HR Sub-Committee took place at the EIFCA offices, 6 North Lynn Business Village, King's Lynn, on 4th February 2020 at 1030 hours.

Members Present:

Cllr P Skinner	Chair	Lincolnshire County Council
Cllr D Collis		Norfolk County Council
Cllr P Coupland		Lincolnshire County Council
Cllr M Chenery of Horsbrugh		Norfolk County Council
Cllr T FitzPatrick		Norfolk County Council
Cllr T Goldson		Suffolk County Council
Cllr M Vigo Di Gallidoro		Suffolk County Council
Mr S Worrall		MMO Appointee

Eastern IFCA Officers Present:

A Bakewell	Head Finance & HR
Jon Butler	Head of Operations
J Gregory	Chief Executive

F&HR20/01 Welcome

The Chairman welcomed members to the meeting.

F&HR20/02 Apologies for absence

Apologies for absence were received from Messrs Bolt and Williamson (MMO Appointees)

F&HR20/03 Declarations of Members Interest.

As Cllr Collis was a member of King's Lynn Conservancy Board, he declared an interest in item 13.

Mr Worrall declared an interest in item 10 as it related to payments made to MMO Appointees.

F&HR20/04 Minutes of the Finance and Personnel Sub-committee meeting held on 5th November 2019

Members Agreed to sign the Minutes as a true reflection of the meeting.

F&HR20/05 Matters Arising:

F&HR19/17 VESSEL REPLACEMENT: The CEO advised members Norfolk County Council had agreed to provide procurement expertise for the purchase of the vessel. EIFCA Officers would provide the vessel expertise. EIFCA had previously agreed the services of a naval architect to draw on if necessary. The vessel would be a twin hull catamaran.

F&HR20/06 Quarter 3 Payments made and Receipts

The head of Finance advised the unusually high payment for members allowances was due to one member submitting an expense request which went back over 18 months. There was concern that a time limit should be applied to expense requests, it was agreed to discuss this under item 10 on the Agenda.

Income included funding from EMFF grants relating to Sea Spray and Operation Blake.

Members Agreed to note the content of the paper

F&HR20/07 Quarter 3 Management Accounts

There was a slight underspend due to vacancies and part-time working arrangements, but this would be offset for the remainder of the year by the additional cost of the newly appointed Project Officer.

There was an overspend on vessels due to Three Counties showing signs of age and incurring significant breakdowns.

It was anticipated that by the end of the financial year there would be an underspend of approximately £50,000.

Members Agreed to note the Management Accounts

F&HR20/08 Investment Strategy

Members had previously discussed potential investment options, one option was to enquire about investing through the County Councils. The Head of Finance, having explored the options, reported that Norfolk County Council were able to invest EIFCA's money with an expected return of approximately 1%. It was hoped the relevant documentation would all be finalised within the next month. Members were advised EIFCA would be able to drawdown up to £1m with one months' notice. EIFCA's Risk Register would be amended accordingly once the funds were deposited with NCC.

Members Resolved to:

- **Approve** the management of Authority reserves by NCC Treasury.
- **Agree** to delegate authority to the CEO to transfer c.£2.5million to NCC subject to appropriate terms and accessibility of funds.

Proposed: Cllr Goldson

Seconded: Cllr Collis

All Agreed

F&HR20/09 Review of Spending Limits

The Head of Finance provided members with a revised excess expenditure form. It was felt that in order to reflect increasing costs it was necessary to revise the spending limits for Officers.

Two changes were highlighted, one being an additional limit for Grade 6 Officers to reflect their additional responsibility and job role, with a limit of £750. The other being an increase in the limit for Line Managers and the Admin/Finance Assistant to £1,500. Anything over that would require approval from an Executive Officer.

Members Resolved to:

- **Agree** to revise the proposal in the paper to reflect the two changes to be made to the spending limits.

Proposed: Cllr FitzPatrick

Seconded: Cllr Vigo Di Gallidoro

All Agreed

F&HR20/10 MMO Appointee Expenses

Members were advised the 2019/2020 budget for this expense would be exceeded by a small amount at the end of the year. Having briefly discussed the matter of late expenses claims earlier on the agenda, members had a more in-depth discussion and consequently proposed an additional recommendation to that set out in the paper.

Members Resolved:

- To recommend that members agree that from the start of the 2020/2021 financial year expense claims for MMO appointees must be submitted within three months of the meeting.

Proposed: Cllr Collis

Seconded: Cllr Goldson

All Agreed

Members Resolved to:

- **Agree** that from the start of the 2020/2021 financial year expense claims for MMO appointees must be submitted within three months of the meeting.
- **Approve** the payment of expenses to MMO appointees for the financial year 2020-21

Proposed: Cllr Collis
Seconded: Cllr Goldson
All Agreed

F&HR20/11 Appointment of Auditors

Members Resolved to approve the engagement of Norfolk Audit Services to carry out the internal audit and the appointment of PKF Littlejohn to audit the Annual Return.

Proposed: Cllr FitzPatrick
Seconded: Cllr Chenery of Horsbrugh
All Agreed

F&HR20/12 Resolution

Members Resolved that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for items 13 & 14 on the grounds that they involved the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act.

Proposed: Cllr Chenery of Horsbrugh
Seconded: Cllr Collis
All Agreed

F&HR20/13 Office Accommodation

Replacement office accommodation had been an ongoing project which had started four years previously. The current office accommodation was on a 12 month rolling lease.

The Head of Finance & HR had researched various available properties/sites and was able to put forward four options. Members were provided with the details of the four sites along with the associated costs.

Members took the time to deliberate over the available options and the pros and cons of each option. Funding of the project through County Councils was also discussed.

Members Resolved to:

- **Agree** that options 3 and 4 were the preferred options
- **Agree** that outright purchase was preferred to renting premises
- **Agree** that funding options be explored with the three funding County Councils
- **Agree** that decision making in relation to securing new premises was delegated to the CEO in consultation with the Chair and Vice-Chair to be reported to all sub-committee members via e-mail and updated at each meeting

Proposed: Cllr Goldson

Seconded: Mr Worrall

Agreed by the majority of members

F&HR20/14 HR Update

Members were advised that since the previous meeting

- Project officer had taken up the post, it was anticipated her background in MCZ and running workshops would be an asset.
- An IFCO had successfully completed his probation and was now a permanent Officer
- Recruitment for an IFCO was in process.

Members Agreed to note the content of the report

There being no further items of business to discuss the meeting closed at 1130 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



Meeting: Urgent Authority Business Meeting

Date: Tuesday 28th April 2020

Time: 1400hrs

Venue: Via Microsoft Teams

Notes of the Meeting

Present:

Cllr P Skinner	Chair
Cllr T Fitzpatrick	Vice Chair
J Gregory	CEO
A Bakewell	Head of Finance & HR
G Brown	IFCO/Project Officer
J Butler	Head of Operations
L Godwin	Senior IFCO (Regulation)
R Jessop	Senior Marine Science Officer (Research)

The CEO opened the meeting and began by explaining that the Constitution and Standing Orders contained a provision that enabled decisions to be taken in the absence of an Authority meeting i.e.

‘Matters which it is the responsibility of the Chief Executive Officer to Discharge’

26. Provision for emergencies

Where, in the opinion of the CEO (or their nominated deputy in their absence) a decision which is within the powers of the Authority or a Sub-Committee, but is not within the CEO’s delegated powers, is urgently required by the Eastern IFCA, and cannot be delayed until an Authority or relevant Sub-Committee meeting is convened, the CEO may take the decision, having first consulted the Chairman and the Vice-Chairman of the Authority and, where relevant, the Sub-Committee Chair and Vice-Chair. All such decisions must be reported to the next meeting of the Authority and the relevant Sub-Committee.

The Chair and Vice-Chair agreed that in current circumstances relating to the Covid-19 pandemic it was not viable to hold an Authority or sub-committee meeting and that it was appropriate to take decision under this provision and to report them to Authority members.

1. Authority business planning in current context

The CEO referred to the Priority Workstreams Sitrep, which had previously been circulated to all Authority members on 23rd April 2020, explaining that following the Covid-19 lockdown Officers had reviewed the Business Plan priorities and critical workstreams. The document set out a detailed assessment of each individual priority and critical workstream

Senior IFCO Godwin gave an overview of the document and highlighted the following key points:

- COVID-19 related issues, including diversion of resource to COVID-19 related workstreams and impacts of social distancing measures, compound some issues already identified with regards to progressing workstreams to planned timeline.
- Social distancing requirements will preclude a full cockle survey, the implication of which being that no cockle fishery can take place this year with significant economic impacts. Mitigation identified for limited fishery including through dialogue with Natural England to open fishery without stock assessment.
- Whelk fishing activity has increased as a result of the associated markets having maintained a good price and demand which compounds existing concerns regarding stock sustainability. Short-term impacts of implementing any management measures (e.g. effort restrictions) risks business continuity given increased reliance on whelk market, failure to implement measures may result in stock sustainability issues and permit conditions require review by Oct 2020 in any case. The CEO can consider the review on behalf of the Authority under delegated powers if required to meet timescales.
- Development of crab and lobster sustainability measures and measures to protect the Cromer Shoal MCZ run the risk of being delayed as a result of not being able to undertake effective engagement. At the same time, industry viability is threatened by current stock status and lack of a Fisheries Improvement Plan.
- Social distancing requirements limit the ability to undertake three workstreams critical to shellfish fisheries in The Wash (SWEEP, Environmental Health Sampling and Cockle Surveys) risking business models which rely on these fisheries. It is intended to continue with SWEEP and EHO sampling.

The overall approach is to continue progressing workstreams and priorities identified in the Business Plan and to adapt to the COVID-19 situation as it develops. Delays in certain areas are inevitable, particularly where these rely on engagement with stakeholders and such is precluded by social distancing measures. In the event that high priority decisions are required in the absence of the ability to hold Authority meetings then the provision from the the Constitution and Standing Orders outlined at the beginning of the meeting could be utilised.

The Chair and Vice-Chair were supportive and agreed that if necessary, any urgent decisions could be taken.

It was agreed to:

- **Note and approve the approach adopted**

2.

3. Authority meetings

a. June Authority meeting

The CEO referred to the IFCA Chief Officer Group Position Statement Regarding the holding of Meetings during the Covid 19 Coronavirus Pandemic. This set out that the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authorities and Police and Crime Panels Meetings) (England and Wales) Regulations 2020 Statutory Instrument 2020 no.392 (“the Regulation”) came into force on 4th April 2020.

Being a Joint Committee of Local Authorities and as a consequence of the Regulation, the Authority was able to cancel, postpone or hold meetings electronically. Where the election of Chair & Vice-Chair is due, the current incumbents can continue in the role until the next annual meeting or as determined by the Authority.

In view of Covid19 Government Guidelines the CEO felt it was unlikely that the June meeting would go ahead. It was noted that whilst the Chair and Vice-Chair positions would have been scheduled for re-election at this meeting these posts could continue and, in any event, having only been elected last year, it was anticipated that they would remain in office for two years.

It was agreed:

- **In principle to cancel the June meeting and delegate the final decision to the CEO based upon Covid-19 restrictions and Govt advice applicable at the time**

b. Finance & HR business

The Head of Finance & HR advised that the majority of Officers were working from home, and the Enforcement Team were still monitoring the coastline whilst adhering to social distancing requirements.

The HR Update included an update on recruitment, an additional IFCO had been recruited but would not take up the post until the current situation improved. She continued to be employed by the MMO in the interim.

A Disciplinary process was on-going, it was anticipated this would be resolved on 6th May.

Management Accounts for the 4th quarter of the 2019/2020 financial year were presented as was a report on payments made and monies received during the same period. It was noted there was a large amount spent on Three Counties however, this was due to the annual refit having been completed. Any additional costs incurred due to Covid19 would likely be offset by savings made in travel and expenses. Once the Annual accounts were completed it was anticipated there would be approximately £100k to put into reserves.

It was also noted that the 2% pay rise which had been included in the budget for 2020/2021 was likely to be 2.75%.

It was agreed to:

- **Confirm the cancellation of the 5th May meeting of the Finance & HR sub-committee**
- **Note the Management Accounts, Payment and Receipts and HR Update papers**

4. Fish Local

Having circulated prepared documents, the CEO gave a brief overview of the project. This was essentially a combination of website and social media to provide a platform to facilitate the sale of fish by linking fishermen, fishmongers, markets and the general public. In the short term it would help industry during the Covid-19 crisis and in the medium term it had the potential to provide new ways of selling fish and promoting particular species whilst offering suggestions from a celebrity chef on ways to cook fish.

Kent & Essex IFCA had initially set up the project with early engagement with Eastern IFCA a potential partner. Officers had undertaken due diligence, seeking legal advice on any liability to the Authority and canvassing a selection of industry members to assess its applicability to the District.

The Shellfish Association of Great Britain had taken up the mantle and were now the lead with KEICA and Eastern IFCA as a supporting partners. A bid for funding in the region of £4-500k had been made to the recently announced Defra scheme to support alternative fish sales and Eastern IFCA's contribution would not be financial but would involve a costed amount of officer time. The CEO was confident that the commitment could be managed alongside other priorities.

Both the Chair and Vice-Chair believed this was a good way to represent local product and by taking part on an 'in-kind' basis it was showing support for the industry.

It was agreed to:

- **Note and approve Eastern IFCA's participation in the initiative.**

5. WFO Cockle Fishery

The CEO advised that due to the Covid-19 pandemic it had not been possible to undertake the annual cockle surveys due to it being impossible to comply with social distancing requirements. Recognising the potential for this at an early stage he had asked the Senior MSO (Research) to consider contingency plans to enable a fishery.

Senior MSO Jessop advised that under normal circumstances the cockle surveys would provide information on stock biomass, age class, size and distribution. This information would inform calculations to identify the available TAC and would inform the HRA for NE approval. An important element of the HRA is determining there is sufficient biomass of shellfish to feed the over-wintering wader populations. This requires knowing how much cockle stock there is.

In the absence of a survey, last years' survey data had been analysed to determine which beds would be most vulnerable to die-offs. The conclusion was that Friskney, Gat and Roger were all likely to suffer loss over the summer from A-typical mortality. Natural England were approached and asked to consider a contingency fishery in those ring-fenced areas, with no TAC attached. There was also the possibility of opening further areas to prevent loss from ridging out should it become apparent.

In principle NE felt this was possible but the SMSO was still in discussion with them as there was still a need to complete an HRA before agreement could be confirmed.

The CEO advised that correspondence had been received from the fishing industry setting out alternative proposals for the fishery this year. The intention was to look at them in detail to see if there was merit to any element that could be incorporated into plans but at first take this appeared unlikely due to the challenges in justifying the fishery in an HRA.

At the previous Authority meeting delegated power had been given to the CEO regarding opening the cockle fishery, however, due to the inability to carry out surveys and a different methodology to enable a fishery, the CEO felt the proposed methodology should be considered by the Chair and Vice-Chair.

It was agreed to:

- **Note that Covid-19 restrictions and Govt guidance on social distancing have meant that it has not been possible to conduct the annual cockle surveys**
- **Approve the proposed methodology that should enable a contingency fishery**

6. WFO licence fees 2020-21

WFO Licence fees were due to be increased this year in line with the requirement to achieve 50% cost recovery. In view of the difficulties being faced by the fishing industry at the present time and the uncertainty around the cockle fishery it was felt rather than increasing the fees it would be prudent to reduce the fee to pre-2019 levels for hand working licences. It was also felt that in view of the uncertainty of the fishery the timeframe for renewing a licence should be increased by 12 months just to cover this one year – effectively the 2020 year won't count.

Discussing the recommendations, it was noted there would be a deficit effect of about £19,000 on the budget but the Head of Finance & HR was confident this could be accommodated.

Considering whelk permit fees, it was noted that whelk fishing was ongoing and whilst prices were reduced, there were still good markets and the fishery appeared to be viable. With this in mind and the relatively low cost of a permit it was felt appropriate to maintain the current fee for whelk permits.

Both the Chair and Vice-Chair were in agreement with the recommendations put forward.

It was agreed to:

- **Delay implementation of the planned increase in Wash Fishery Order handwork licence fees by 12 months and to reintroduce the licence structure as it was pre-2019 for the financial year 2020/21 with the following effects:**
 - **Maintain single hand-work licence for all species and single dredge licence for all species;**
 - **Implement a hand-work licence fee of £330 (i.e. pre-2019 increase);**
 - **Implement a dredge licence fee of £342 (the fee in 2019 which reflected a decrease from £690)**
- **Extend 'Entitlement period' for all WFO licences by 12 months**
- **Maintain whelk permits fees at current level**

7. WFO licence transfer

The Project Officer referred to the supporting Decision Memo concerning a request for the transfer of two WFO licences from one family member to an uncle and cousin. The reasons for the application and the WFO interim policies were considered.

It was agreed to:

Allow the transfer of two Wash Fishery Order Entitlements to two different family members, a uncle and cousin, subject to the following conditions:

- **The current holder surrenders any 'entitlement' to further licences associated with those entitlements, in writing.**

- **Production of proof of ownership of the vessel associated with the licences that sets out that the uncle and cousin are the majority shareholders on each vessel**
- **Production of a bill of sale or similar showing that the vessels have both been sold**

8. Any Other Business

Replacement Vessel: the CEO advised that the process was ongoing, following an exercise with NCC Procurement a decision had been reached to opt for a new build rather than a refurbished vessel. Indications were that a GRP vessel could be built relatively quickly and would be well within the anticipated budget. The Chair queried the life expectancy of a vessel with a GRP hull, however the CEO felt with a midlife refit scheduled in from the start the vessel would have an adequate lifespan.

Both the Chair & Vice-Chair were in agreement with the decision.

It was agreed to:

- **Go to tender for a new build replacement for RV Three Counties**

Homebased Working: The CEO advised that most officers were working from home with the Enforcement Team carrying out coastal activity at all the major ports around the district on a weekly basis. This was based on single officer patrols to adhere to social distancing.

Since the announcement of the Covid19 lockdown the MMO had taken the decision not to carry out coastal patrols. The CEO felt it was possible to continue to meet statutory requirements as well as ensuring staff safety.

There was ongoing work on a strategy for joint working with MMO and IFCA Officers, so it was anticipated there would be seaborne patrols taking place at some point.

The CEO advised that PPE in the form of hand sanitizer, gloves and face masks had been made available for EIFCA Officers

The Chair & Vice-Chair felt it was a positive thing that the presence on the ground was being maintained. They thanked all staff for continuing with their duties.

The meeting closed at 1524 hours.

Meeting notes approved by the Chair and Vice-Chair on 5th May 2020.

5Vision

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



Action Item 7

Finance and HR sub-committee meeting

4th August 2020

Report by: Andrew Bakewell – Head of Finance & HR

Payments made and monies received during the period 1st April 2020 to 30th June 2020 (Quarter 1)

Recommendations

Members are asked to:

- **Note** the content of the paper

Background

It is an audit requirement that the Authority's receipts and payments are presented to Members on a quarterly basis.

The report on Payments made and monies received during the period 1st April to 30th June 2020 are shown in the following tables.

The payments have been made in accordance with EIFCA's Financial Regulations and the necessary processes and approvals have been carried out.

Background documents

There are no background documents to this paper.

**Finance Officer's Report on Payments Made and Monies Received during the period
1st April to 30th June 2020**

Payments made during the period 1st April 2020 to 30th June 2020

	Month 1	Month 2	Month 3	TOTAL
	£	£	£	£
Transfers to EIFCA Salaries Acct.	395,000.00			395,000.00
Rent, Rates & Service Charges	2,848.78	11,275.78	4,340.80	18,465.36
General Establishment	43,512.60	3,532.32	3,807.59	50,852.51
Legal Fees	3,905.00	2,686.87		6,591.87
Staff Travelling & Subsistence	1,190.99		19.23	1,210.22
Members' Allowances				
Training	4,426.20	1,177.50		5,603.70
Moorings/Harbour Dues	129.76		873.25	1,003.01
Three Counties Operating Costs	2,688.20	21,624.04	1,162.86	25,475.10
FPV JA & ST –Operating Costs	4,254.06	8,991.07	1,848.52	15,093.65
Vehicle Operating Costs	11,283.06	811.90	896.82	12,991.78
Communication and Development			150.00	150.00
Marine Science	179.12	262.14		441.26
Enforcement	743.74	466.56	764.35	1,974.65
Wash & Nth Norf. EMS Project	53.58	6.99	31.04	91.61
Assets				
Petty Cash				
VAT recoverable (Quarter)	7,952.97	3,059.61	1,792.69	12,805.27
Grant funded project	30.00	83.20	83.20	196.40
TOTAL PAYMENTS MADE	478,198.06	53,977.98	15,770.35	547,946.39

Monies received during the period April 2020 to June 2020

	Month 1	Month 2	Month 3	TOTAL
	£	£	£	£
Levies	979,472			979,472
Asset replacement	104,134			104,134
WFO – Licences	330		12,862	13,192
EMFF Grants			42,408	42,408
Whelk licences	2,500	270	90	2,860
Wash & North Norfolk Coast EMS	22,312	7,806	306	30,424
VAT			23,683	23,683
Fixed Penalty Fine				
EHO sampling	768	1,280		2,048
Lay rents	1,838	492	113	2,443
Court costs				
Interest		2	5	7
Asset Sales				
Miscellaneous		5,682		5,682
TOTAL MONIES RECEIVED	1,111,354	15,532	79,467	1,206,353

Expenses –

Salaries is the amount transferred to the specific salary to cover 4 months salaries as a contingency

General Establishment includes £37k AIFCA subs in advance(12k) and annual IT support(25k).

Three Counties includes the annual vessel insurance (all vessels) in month 2.

FPV (JA & ST) – JA repairs included in month 2.

Income

Levies – LCC 2020/21 levy (£522,984) received 2019/2020 therefore appeared in Qtr 4 report.

Vision

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



Action Item 8

Finance and HR sub-committee meeting

4th August 2020

Report by: Andrew Bakewell – Head of Finance and HR

Report on the Management Accounts for the 1st quarter of the 2020/21 financial year

Purpose of report

To provide 1st Quarter Management Accounts for members to note.

Recommendations:

Members are asked to:

- **Note** the Management Accounts

Explanatory Notes

Salaries and on costs	18,252	Delayed start date (Covid 19) for IFCA 2020/21 pay rise not yet agreed
General expenditure	12,088	Timing re rent payments
Enforcement	7,025	Payments processed prior year
Marine Science	309	
Vessels	(897)	John Allen repairs offset by savings on Moorings (paid 19/20) and TC mtce.
Vehicles	1,508	Reduced activity
Income	(439,602)	LCC levy rec,d 19/20 (472,617), WFO fee Reduction (18,808), EMFF grant from 19/20 42,408 and Bird survey £5,682 not Budgeted other timing issues
Operation Blake	(196)	Expenditure not budgeted see above
Adjusted position		
Expenditure savings	38,189	
Additional income	33,015	adjusted for LCC levy
First quarter	71,204	surplus over budget

Management Accounts Financial Year 2020/2021

	ACTUAL	BUDGET	VARIANCE	MEMO
	Year to Date	Year to		Budget
	Qtr 1	Date		For Year
	£	Qtr 1		£
	£	£		£
<u>SALARIES & WAGES</u>				
Staff Remuneration	200,789	213,508	12,719	854,033
Pension	44,618	48,585	3,967	194,341
National Insurance	20,309	21,875	1,566	87,501
TOTAL	265,716	283,968	18,252	1,135,875
<u>GENERAL EXPEND</u>				
Accommodation	15,697	16,046	349	64,185
Insurance	8,635	8,600	(35)	8,600
General Establishment	44,279	52,050	7,771	96,610
Officers' Expenses	1,143	4,000	2,857	16,000
Members' Travel		500	500	2,000
Training	5,604	6,250	646	25,000
TOTAL	75,358	87,446	12,088	212,395
Media & Comms	150	250	100	1,000
Enforcement	1,975	9,000	7,025	25,000
Marine Science	4,941	5,250	309	12,000
Operation Blake	196		(196)	
<u>VESSELS</u>				
Moorings/Harbour Dues	1,003	4,000	2,997	5,000
<u>Vessel Operating Costs</u>				
Three Counties	3,937	6,500	2,563	50,000
FPVs JA & ST	15,094	9,375	(5,719)	37,500
Vessels insurance	21,238	20,500	(738)	20,500
TOTAL	41,272	40,375	(897)	113,000
<u>VEHICLES</u>				
Operating Costs	12,992	14,500	1,508	26,700
TOTAL	12,992	14,500	1,508	26,700
TOTAL EXPENDITURE	402,600	440,789	38,189	1,525,970
<u>INCOME</u>				
Bank Interest	7	25	(18)	10,100
Levies	979,472	1,452,089	(472,617)	1,452,089
WFO Licence	13,192	32,000	(18,808)	40,000
Whelk licences	2,860	1,250	1,610	4,500
Sale of assets		1,600	(1,600)	6,400
Surveys	5,682		5,682	
EMFF Grants	42,408		42,408	
EHO sampling	2,048	3,750	(1,702)	15,000
Lay rents	2,443	1,000	1,443	4,000
TOTAL INCOME	1,048,112	1,487,714	(439,602)	1,532,089
Reserve movement				6,119

Vision

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



Action Item 9

Finance & HR Sub-Committee

4th August 2020

Statement of Accounts for Eastern Inshore Fisheries & Conservation Authority for the year ended 31st March 2020

Report by: Andrew Bakewell – Head of Finance & HR

Purpose of report

To present the annual statement of accounts for the year ended 31st March 2020.

Recommendations

Members are asked to:

1. **Approve** the Statement of Accounts for submission for external examination.
2. **Authorise** the Chairman and Chief Executive to sign the Annual Return before submission to the auditors for review.
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 Statement of movement in reserves below.

Appendices

Appendix A - Eastern Inshore Fisheries & Conservation Authority Statement of Accounts for the year ended 31st March 2020 (attached)

Appendix A

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Statement of Accounts for the year ended 31st March 2020

Foreword

The Accounts and Audit (England) Regulations 2015 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 will be completed and certified by the Chairman and CEO at a later date.

The accounting statements forming the basis of the return are:

1. The Income and Expenditure Account for the year ended 31st March 2020
2. The Balance sheet as at 31st March 2020.
3. A statement detailing movement on reserves.
This is the list of the funds held in “ear-marked” reserves and monies managed by the Authority belonging to the Wash Fishery Order and Wash and North Norfolk Coast European Marine Site Project Funds.
4. A schedule of Fixed Assets held at 31st March 2020. Fixed Assets are valued at cost with no allowance for depreciation. By this method the “book value” of fixed assets remains constant until disposed of.
- 5.
6. Notes relevant to the above statements.

2019/2020 Out-turn

The table below shows a comparison of Actual results with the 2019/20 Budget analysed under the main budget headings.

	2019/20 Budget	2019/20 Actual
	£	£
Salaries	1,070,104	1,029,747
General Expenditure	207,803	204,984
<u>Departmental Operational Costs</u>		
Media and Publicity	704	201
Marine Protection	24,343	21,329
Marine Science	10,698	18,267
Moorings and Harbour Dues	4,403	6,884
Three Counties	71,974	80,218
John Allen/Sebastian Terelinck	44,723	24,944
Vehicles	26,210	24,927
Operation "Blake"		65,322
Asset purchases		22,967
TOTAL EXPENDITURE	1,460,962	1,499,790
<u>INCOME</u>		
Miscellaneous Income	70,878	151,907
Asset replacement	150,000	150,000
TOTAL INCOME	220,878	301,907
EXPENDITURE less INCOME	1,240,084	1,197,883

Consolidated Balance Sheet at 31st March 2020

31/3/2019		31/3/2020
£	CURRENT ASSETS	£
69,360	Debtors	59,907
580,590	Suffolk County Council Deposit	583,790
2,439,166	Cash at bank	2,679,140
626	Cash in hand	190
	CURRENT LIABILITIES	
-907,710	Creditors	-916,895
2,182,032	NET ASSETS	2,406,132
	EAR-MARKED RESERVES	
10,000	ICT Fund	10,000
30,000	IVMS Fund	30,000
21,750	Fixed Penalty Fund	21,750
75,000	Legal and Enforcement Fund	75,000
10,000	Office Improvement Fund	10,000
150,000	Operational Fund	150,000
78,169	Research Fund	78,169
60,000	Vehicles Renewal Fund	60,000
18,292	Environment Grants	18,292
1,576,064	Vessel Replacement Fund	1,809,526
113,753	Wash Fishery Order Fund	110,447
39,004	Wash and North Norfolk Project Fund	32,948
2,182,032		2,406,132

Reconciliation between Box 7 and Box 8 in Section 1 (31/03/2020)

Name of small relevant body: Eastern Inshore Fisheries and Conservation Authority

		£	£
Box 7: Balances carried forward (31/03/2020)			2,406,132
Deduct:	Debtors	24,541	
	- HMRC	35,366	
Total deductions			(59,907)
Add:	Creditors	916,895	
Total additions			916,895
Total cash and short term investments			3,263,120

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Income and Expenditure Account for the year ended 31st March 2020

2018-2019			2019 - 2020		
£	£	<u>INCOME</u>	£	£	£
1,016,863		Levies	1,037,200		
394,145		New Burden Funding	394,145		
		Asset replacement	150,000		
6,845		Fines and costs	3,639		
6,807		Interest	10,243		
<u>62,105</u>		Miscellaneous income	<u>67,596</u>		
	1,486,765	sub-total		1,662,823	
8,750	8,750	Grants	67,229		
3,649		Vessel Replacement Fund	3,200		
		Wash Fishery Order			
<u>33,698</u>	37,347	Wash & North Norfolk Project Fund	<u>38,721</u>		
		sub-total		<u>109,150</u>	
	<u>1,532,862</u>	TOTAL INCOME			1,771,973
 <u>EXPENDITURE</u>					
1,024,065		Salaries	1,029,747		
213,685		General expenditure	204,984		
3,233		Media and Publicity	201		
8,907		Marine Science	18,267		
26,381		Marine Protection	21,329		
5,219		Moorings and Harbour dues	6,884		
82,855		Three Counties operating costs	80,218		
38,754		John Allen & Sebastian Terelinck	24,944		
26,107		Vehicles operating costs	24,927		
		Operation Blake	65,322		
		Asset purchases	<u>22,967</u>		
	1,429,206	sub-total		1,499,790	
6,106		Wash Fishery Order Fund	3,306		
<u>46,079</u>		Wash & North Norfolk Project Fund	<u>44,777</u>		
	<u>52,185</u>	sub-total		<u>48,083</u>	
	1,481,391	TOTAL EXPENDITURE			1,547,873
	51,471	INCOME less EXPENDITURE			224,100

Notes -

Surplus for the year £224,100 made up as follows:-

Salary savings £40,357 vacancy management

Overheads savings £2,819 various small underspends

Asset operations £10,337 with overspends on Moorings (£2,481) and Three Counties (£8,244) offset by savings on Patrol Vessels of £19,779 and vehicles £1,283. Three Counties age related issues. Patrol Vessels savings resulted from John Allen being out of service for much of the year.

Marine Protection showed a saving of £3,014 whereas Marine Science overspent (£7,569) mainly due to unforeseen equipment repairs.

Unbudgeted costs –

Operation Blake (grant funded) saw costs in the year of £65,322 offset partly by grant receipts £40,979 the difference will be recovered in the next claim expected early in the new financial year.

Asset purchase £22,967 for replacement vehicle nominally this would be funded from reserves and reserve replenished.

Income –

Asset replacement contribution from the three County Councils of £150,000 has been included as income and transferred within the total surplus to reserves.

Final Tranche of EMFF Grant funding for “Seaspray” received in the year £26,250.

Statement of movement in reserves

	opening	used	added	closing
ICT Fund	10,000			10,000
F.A.P.	21,750			21,750
Legal Fund	75,000			75,000
Office refurbishment	10,000			10,000
Operational Fund	150,000			150,000
Research Fund	78,169			78,169
Vehicle replacement	60,000			60,000
Vessel replacement	1,576,064		233,462	1,809,526
Wash Fishery Order	113,753	3,306		110,447
WNNC-EMS	39,004	6,056		32,948
IVMS (10%)	30,000			30,000
Grants	18,292			18,292
Total	2,182,032	9,362	233,462	2,406,132

Notes

Use of reserves (shown in red) for the year are related to Wash Fishery Order for expenditure on items to benefit the fishery and Wash and North Norfolk Marine Partnership shortfall in income over costs. Wash Fishery Order reserve is no longer added to as the whole licence fee is treated as Eastern IFCA income. Operating surplus and contributions to asset replacement are all added to Vessel replacement reserve.

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

FIXED ASSET REGISTER as at 31/03/2020

Acquired	Description	Supplier	Cost £
31/07/2002	RV Three Counties		914,560.00
01/09/2015	Sebastian Terelinck	Redbay	415,188.00
25/04/2013	John Allen	Redbay	144,349.00
12/02/2018	Seaspray 2	Humber	50,546.00
12/02/2018	Seaspray 2 "extras"	Humber	8,592.00
			<hr/> 1,533,235.00
01/04/2013	Sidescan sonar		53,815.00
01/06/2013	Imaging software		13,343.00
13/06/2013	Underwater camera		28,770.00
30/04/2013	Videoray		11,108.00
12/02/2018	Sonde	Xylem	11,753.00
			118,789.00
20/10/2015	Isuzu D-Max	FX65UXP	17,978.00
21/07/2014	Skoda Yeti 4x4	AJ14NHL	20,350.00
01/08/2014	Skoda Yeti Greenline	AJ14NHM	18,095.00
01/08/2014	Skoda Yeti Greenline	AJ14NHN	18,095.00
18/08/2016	Ford Tourneo	EP16DRO	16,851.00
26/05/2017	Skoda Yeti	AK17EVU	13,909.00
26/05/2017	Skoda Yeti	AK17EWA	16,628.00
26/05/2017	Skoda Fabia	AK17EVW	10,215.00
18/03/2020	Skoda Karoq	AF20KBV	22,967.00
			<hr/> 155,088.00
			<hr/> 1,807,112.00
	Total Fixed Assets		1,807,112.00

Vision

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



Information Item 13

Finance & HR Sub-Committee Meeting

HR Update

5th August 2020

Report by: Andrew Bakewell, Head of Finance and HR

Purpose of report

To update members on HR activity.

Recommendations

It is recommended that members:

- **Note** the content of the report

Activity since last report

Recruitment

A recruitment campaign for a Grade 5 IFCO concluded with the appointment of an officer currently working as an MEO with the MMO. Due to the outbreak of the Covid 19 pandemic a start date is yet to be confirmed. We were able to organise for her to remain in her current role with the MMO until her move to Eastern IFCA could be safely enacted. Correspondence is ongoing with the officer with the aim of agreeing a start date in the near future.

The recent resignation of a Grade 5 IFCO will be subject of discussion at the next Executive Meeting to recommend a course of action.

Welfare

All staff are currently working from home, the Authority have been ensuring that all necessary equipment and PPE is available. Contact is being maintained via daily Teams meetings. Occasional trips to the Office are subject to controls to minimise contact. Cleaning to recommended standards is being performed twice weekly in the Office and weekly at Unit A.