



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

to be held at

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

on

1st August 2023

at

1030 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: 1st August 2023

Time: 1030 hours

Venue: EIFCA Offices, 6 North Lynn Business Village, Bergen Way, King's Lynn,
PE30 2JG

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 2nd May 2023 (pg3)
- 5 Matters Arising – *Clerk*
- 6 Quarter 1 Payments and Receipts – CEO / Joanne Sams (pg7)
- 7 Quarter 1 Management Accounts – CEO / Joanne Sams (pg9)
- 8 Annual Statement of Accounts (Draft) for year ending March 2023 – CEO (pg11)
- 9 *To resolve that, under section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for*
 - a *Item 10 on the grounds that it involves the disclosure of information which is likely to reveal the identity of an individual which is exempt information as defined in paragraph 2 of Schedule 12A of the Act; and*
 - b *Item 11 on the grounds that it involves the disclosure of Information relating to the financial or business affairs of any particular person (including the authority holding that information) which is exempt information as defined in Paragraph 3 of Schedule 12A of the Act.*

Information Items

- 10 HR Update – Hd Finance &HR (pg20)
- 11 New vessels update (verbal) – CEO / Hd Operations
- 12 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: 24 July 2023

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Finance & HR Sub-Committee

A meeting of the Finance & HR Sub-Committee took place at the EIFCA Offices, King's Lynn on 2nd May 2023 at 1030 hours.

Members Present:

Cllr T FitzPatrick	Chair	Norfolk County Council
Cllr M Chenery of Horsbrugh		Norfolk County Council
Cllr P Skinner		Lincolnshire County Council
Mr S Williamson		MMO Appointee

Eastern IFCA Officers Present:

A Bakewell	Head Finance & HR
J Butler	Head of Operations
J Gregory	CEO

FHR23/01 Welcome

The Chairman welcomed members to the meeting.

FHR23/02 Apologies for absence

Apologies for absence were received from Cllrs Adams (NCC), Back (SCC) & Vigo Di Gallidoro (SCC), and Ms Smith (MMO Appointee)

FHR23/03 Declarations of Members Interest.

No Declarations of Interest were received.

FHR23/04 Minutes of the Finance and Personnel Sub-committee meeting held on 7th February 2023

Cllr Skinner was omitted from the list of those present.

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

Proposed: Cllr Chenery of Horsbrugh

Seconded: Cllr Skinner

All Agreed

FHR23/05 Matters Arising

There were no matters arising.

FHR23/06 Quarter 4 Payments and Receipts

The Head of Finance & HR advised there was very little to report. Although expenditure appeared to be higher than usual.

Additional expenditure had been incurred due to repairs to Sebastian Terelinck as a result of extreme weather causing damage to the engines as well as a fault within the fibreglass which had to be repaired to prevent leaking. It was noted that in order to try and eliminate similar damage in the future a recommendation was made that non-toxic antifreeze should be run through the system.

A stage payment for the new vessel and insurance for Vehicles which would apply to 2023/24 had also been paid in quarter 4.

In terms of income the deposit held with Suffolk County Council had earned interest of £13,180.

Members Agreed to Note the contents of the paper.

FHR23/07 Quarter 4 Management Accounts

Due to not having a full complement of staff for the whole year there were savings in salaries, however this had been offset slightly by the higher than anticipated salary settlement. Savings were estimated to be approximately £32,000.

General Expenditure showed an overspend which was largely due to expenditure on legal fees as a result of consultation on the WFO 1992 replacement Byelaw.

The Training budget showed an overspend but it was inevitable that new starters would always impact the training budget and it was not possible to predict when staff would resign.

Internal decorating had been carried out with external painting still to be done, both of which were requirements of the lease.

The process of replacing computer equipment had begun with laptops being replaced on a piece meal basis of 4 or 5 at a time.

Other additional expenditure included the purchase and maintenance of a second ROV which enabled the work to continue when one ROV was out of action. Repairs to Sebastian Terelinck as previously discussed and additional fuel costs were also contributing factors to the additional expenditure.

Income had been boosted by additional funding from Defra with a further £50,000 still anticipated.

The Head of Finance & HR advised that in the 2023/24 financial year there would be lower income as a result of the byelaw replacing the WFO 1992 not being in place, which meant there was no mechanism available to charge for

permits. It was anticipated that once the final accounts for 2022/2023 were completed there would be an overspend of approximately £20,000 which would be recouped from Reserves.

Members Agreed to Note the contents of the paper.

FHR23/08 Resolution

Members Resolved that under Section 1009A)(4) of the Local Government Act 1972, the public be excluded from the meeting for items 9, 10 and 11 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act.

**Proposed: Cllr Skinner
Seconded: Cllr Chenery of Horsbrugh
All Agreed**

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

FHR23/09 Appointment of External Accountants

Members were reminded as a result of the forthcoming retirement of the Head of Finance & HR an external accountant was to be appointed to oversee the accounting process. Three companies had shown initial interest however only two of them and responded to requests for a meeting. Meetings took place with both of the remaining two and the needs of EIFCA were discussed comprehensively, following which they had both put forward a quote for their services.

Members debated the two contenders and whether they would provide a high professional standard, whilst it was not possible to know until they had begun work with EIFCA it was felt that based on the meetings held one had shown far more enthusiasm and was switched on to what was required.

Members Resolved to Approve the appointment of Aston Shaw Accountants to provide the services required following the retirement of the Head of Finance and HR.

**Proposed: Cllr Skinner
Seconded: Cllr Chenery
All Agreed**

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

FHR23/10 HR Update

Since the last Update there had been one leaver and no new starters although interviews had taken place the previous week and a conditional offer had been made subject to all the required checks.

The Appeal following termination during the probationary period was ongoing.

It was anticipated the Head of HR would retire on 30th June pending the successful completion of End of Year Accounts and handover to the new accountants.

Members Agreed to note the content of the report.

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

FHR23/11 New Vessels Update

The CEO advised the build of Protector IV was progressing with the deck having been moulded to the hulls. There had however been an email received which gave cause for concern as it highlighted delays in the build due to delivery dates for the engines being unknown, as well as delay in completion due to the vessel not being able to get for sea for sea trials as both Breydon and Heydon bridges were closed for repairs, which effectively meant the vessel was unlikely to be delivered until the end of the calendar year.

Members were advised funding from Defra had been agreed for the purchase of the daughter craft for Protector IV, unfortunately there had been an issue finding a vessel which was coded but light enough to be carried onboard at all times. The CEO was optimistic this issue had now been resolved.

Investigation was ongoing into the charter or purchase of a vessel suitable for use as a potting vessel. The Head of Operations believed he had found a solution; Mr Williamson was also able to recommend a very nice vessel but it was possibly too expensive for the Authority to purchase.

Members Agreed to note the verbal report.

FHR23/12 Any Other Business

No other urgent matters had been brought to the attention of the Chair.

There being no other matters to discuss the meeting closed at 1116 hours, the Chair thanked members for attending.

Vision

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Action Item 6

Finance and HR sub-committee meeting

1st August 2023

Report by: Joanne Sams – Aston Shaw Accountants

Payments made and monies received during the period 1st April 2023 to 31st June 2023 (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 31st June are shown in the following table.

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

Background documents

There are no background documents to this paper.

Report on Payments Made and Monies Received during the period				
1st April to 30th June 2023				
Payments made during the period 1st April to 30th June 2023				
	Month 1	Month 2	Month 3	Total
	£	£	£	£
Transfers to EIFCA Salaries Account	200,000.00	200,000.00	-	400,000.00
Rent, Rates & Service Charges	389.34	5,059.96	9,490.23	14,939.53
General Establishment	13,104.88	17,675.26	5,952.26	36,732.40
Legal Fees	25,378.00	1,082.07	1,239.00	27,699.07
Staff Travelling & Subsistence	473.55	1,599.14	1,953.00	4,025.69
Members' Allowances	-	-	196.24	196.24
Training	-	-	-	-
Moorings/Harbour Dues	2.15	217.00	16.29	235.44
Three Counties Operating Costs	5,720.97	1,420.66	376.67	7,518.30
FPV JA & ST - Operating Costs	2,183.62	592.77	2,907.22	5,683.61
Vehicle Operating Costs	2,216.46	2,366.37	1,512.08	6,094.91
Communication and Development	-	70.93	258.98	329.91
Insurance	-	37,918.08	-	37,918.08
Marine Science	472.96	642.23	2,565.14	3,680.33
Enforcement	124.70	687.66	5,033.53	5,845.89
WFO	-	-	-	-
Asset Purchases	-	-	380,043.66	380,043.66
VAT recoverable	8,892.87	5,328.87	5,283.80	19,505.54
Grant Funded Project				-
TOTAL PAYMENTS MADE	258,959.50	274,661.00	416,828.10	950,448.60
Monies received during the period 1st April to 30th June 2023				
	Month 1	Month 2	Month 3	Total
	£	£	£	£
Levies	432,238.00		690,461.00	1,122,699.00
Defra funding	201,999.00	95,000.00	242,152.00	539,151.00
Asset replacement	64,998.00	-	103,829.00	168,827.00
WFO - Licences				-
EMFF Grants				-
Whelk Licences	300.00			300.00
Wash & North Norfolk Coast EMS				-
VAT			17,107.12	17,107.12
Fixed Penalty Fine				-
EHO Sampling		4,608.00		4,608.00
Lay Rents				-
Court Costs				-
Interest			3,072.44	3,072.44
Asset Sales				-
Refund Costs	373.00	1,525.00	4,165.72	6,063.72
Miscellaneous	9.00	500.00		509.00
TOTAL PAYMENTS MADE	699,917.00	101,633.00	1,060,787.28	1,862,337.28

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Action Item 7

Finance and HR sub-committee meeting

1st August 2023

Report by: Joanne Sams – Aston Shaw Accountants

Report on the Management Accounts for the 1st Quarter of the 2022/23 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

	Variance	
Salaries and on costs	8,312	Unfilled vacancies
General expenditure	(20,051)	Annual IT support payment / Insurances
Enforcement	(471)	
Marine Science	820	
Vessels	(21,649)	TC repairs to the injectors
Vehicles	4,280	Timing
Income	1,256,196	Levies all received in first quarter)
Contingency	10,000	

Management Accounts Financial Year 2023/24					
		ACTUAL	BUDGET	VARIANCE	MEMO
		Year to Date	YTD		Budget
		Qtr 1	Qtr 1		For Year
		£	£		£
<u>SALARIES & WAGES</u>					
Staff Remuneration		223,556	228,500	4,944	914,000
Pension		48,780	53,625	4,845	214,500
National Insurance		23,727	22,250	- 1,477	89,000
	TOTAL	296,063	304,375		1,217,500
<u>GENERAL EXPEND</u>					
Accommodation		14,940	18,325	3,385	73,300
Insurance		-	2,725	2,725	10,900
General Establishment		55,321	26,325	- 28,996	105,300
Officers' Expenses		196	375	179	1,500
Members' Travel		3,915	3,500	- 415	14,000
Training		3,180	6,250	3,070	25,000
	TOTAL	77,551	57,500	- 20,051	230,000
Media & Comms		330	188	- 142	750
Enforcement		5,846	5,375	- 471	21,500
Marine Science		3,680	4,500	820	18,000
Operation Blake		-	-	-	-
<u>VESSELS</u>					
Moorings/Harbour Dues		235	1,625	1,390	6,500
Vessel Operating Costs					
Three Counties		7,518	13,750	6,232	55,000
FPVs JA & ST		5,684	8,125	2,441	32,500
Vessels Insurance		37,918	6,000	- 31,918	24,000
	TOTAL	61,212	39,563	- 21,649	158,250
<u>VEHICLES</u>					
Operating Costs		6,095	10,375	4,280	41,500
	TOTAL	6,095	10,375	4,280	41,500
Contingency		-	10,000	10,000	40,000
TOTAL EXPENDITURE		440,921	421,813	- 27,420	1,687,250
<u>INCOME</u>					
Bank Interest		3,072	-	- 3,072	
Levies		1,122,705	280,675	- 842,030	1,122,700
WFO Licence			-	-	
Whelk Licences		300	-	- 300	
Asset Replacement		168,827	42,207	- 126,620	168,827
DEFRA		394,145	93,830	- 300,316	375,318
EMFF Grants			-	-	
Asset Sales			-	-	
FAPs			-	-	
EHO Sampling		4,608	-	- 4,608	
Miscellaneous Income		500	21,250	20,750	85,000
Lay Rents			-	-	
TOTAL INCOME		1,694,157	437,961	-1,256,196	1,751,845
New Vessel		-	-		
Asset Purchases		380,044	-		
Reserve Movement		873,193	16,149	-1,228,776	64,595

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Action Item 8

Finance & HR Sub-Committee

1st August 2023

Statement of Accounts for Eastern Inshore Fisheries & Conservation Authority for the year ended 31st March 2023

Report by: Joanne Sams – Aston Shaw Accountants & J Gregory - CEO

Purpose of report

To present the annual statement of accounts for the year ended 31st March 2023.

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 2023 (attached)

Appendix A

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Statement of Accounts for the year ended 31st March 2023

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 2023
2. The Balance sheet as at 31st March 2023.
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.

4. A schedule of Fixed Assets held at 31st March 2023. 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.

2022/23 Outturn

Below the comparison of Actual results with the 2022/23 Budget by main headings

	2022/23 Budget	2022/23 Actual
	£	£
Salaries	1,207,000	1,069,850
General Expenditure	207,450	210,416
<u>Operating Costs</u>		
Media and Publicity	1,000	1,176
Marine Protection	25,000	16,924
Marine Science	12,500	21,960
Moorings	6,500	2,470
Three Counties	77,000	72,805
Patrol Vessels	43,350	47,009
Vehicles	31,250	34,911
Operation Blake		
Asset purchases		529,304
TOTAL EXPENDITURE	1,572,550	2,006,825
<u>INCOME</u>		
Miscellaneous Income	70,000	123,434
Asset replacement	163,910	163,910
TOTAL INCOME	233,910	287,344
EXPENDITURE less INCOME	1,338,640	1,719,481

Consolidated Balance Sheet at 31st March 2023

31/03/2022		31/03/2023
£	CURRENT ASSETS	£
165,004	Debtors	247,533
585,557	Suffolk County Council Deposit	598,737
1,787,707	Cash at bank	1,328,313
364	Cash in hand	4
	CURRENT LIABILITIES	
-383,864	Creditors	-247,553
2,154,768	NET CURRENT ASSETS	1,927,034
	EAR-MARKED RESERVES	
10,000	ICT fund	10,000
30,000	IVMS Fund	30,000
22,500	Fixed Penalty Fund	22,500
75,000	Legal and Enforcement Fund	75,000
10,000	Office Improvement Fund	10,000
150,000	Operational Fund	150,000
62,251	Research Fund	62,251
60,000	Vehicle Renewals	60,000
18,292	Environment Grants	18,292
1,628,213	Vessel Replacement Fund	1,403,562
88,512	Wash Fishery Order Fund	85,429
2,154,768		1,927,034

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY					
		Income and Expenditure Account for the year ended 31st March 2023			
2021-2022			2022-2023		
£	£	INCOME	£	£	£
1,079,103		Levies	1,100,685		
394,145		New Burden Funding	394,145		
159,135		Asset replacement	163,910		
		Defra (workstream funding)	50,000		
798		Fines and costs	1,000		
552		Interest	2,934		
176,481		Miscellaneous income	23,153		
	1,810,214	sub-total		1,735,827	
81,308	81,308	Grants	1,045		
782		Interest on SCC deposit	13,180		
		Wash Fishery Order	32,122		
	782	sub-total		46,347	
	1,892,304	TOTAL INCOME			1,782,174
		EXPENDITURE			
1,051,373		Salaries	1,069,850		
201,623		General Expenditure	210,416		
919		Media and Publicity	1,176		
16,851		Marine Science	21,960		
21,008		Marine Protection	16,924		
6,604		Moorings	2,470		
50,677		Three Counties	72,805		
39,631		Patrol Vessels	47,009		
29,773		Vehicles	34,911		
96,609		Operation Blake			
616,020		Asset purchases	529,304		
	2,131,088	sub-total		2,006,825	
21,735		Wash Fishery Order	3,083		
59,104		Wash & North Norfolk Project			
	80,839	sub-total		3,083	
	2,211,927	TOTAL EXPENDITURE			2,009,908
	- 319,623	INCOME less EXPENDITURE			- 227,734

Statement of movement in reserves

	b/f	used	added		c/f
IT Fund	10,000				10,000
FAPs	22,500				22,500
Legal Fund	75,000				75,000
Office refurbishment	10,000				10,000
Operational Fund	150,000				150,000
Science Fund	62,251				62,251
Vehicles	60,000	54,244	54,244		60,000
Vessel replacement	1,628,213	388,561	163,190		1,403,562
Wash Fishery Order	88,512	3,083			85,429
WNNMP					-
IVMS	30,000				30,000
Grants	18,292				18,292
TOTAL	2,154,768	-	-		1,927,034

EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

FIXED ASSET REGISTER as at 31/03/2023

Acquired	Description	Supplier	Cost £
2002	RV Three Counties		914,560.00
09/01/2015	Sebastian Terelinck	Redbay	415,188.00
02/12/2018	Seaspray 2	Humber	50,546.00
02/12/2018	Seaspray 2 "extras"	Humber	8,592.00
			1,388,886.00
04/01/2013	Sidescan sonar		53,815.00
06/01/2013	Imaging software		13,343.00
6/13/2013	Underwater camera		28,770.00
	Videoray		11,108.00
23/07/2021	ROV 1		8,436.00
10/12/2021	ROV 2		7,482.00
02/12/2018	Sonde	Xylem	11,753.00
			134,707.00
20.10.2015	Isuzu D-Max	FX65UXP	17,978.00
20/10/2021	Hyundai Tucson	AU71WFB	18,753.00
20/10/2021	Hyundai Tucson	AU71WFC	18,753.00
20/10/2021	Hyundai Tucson	AU71WFD	18,753.00
21.11.2022	Hyundai Tucson	AU72WFX	18,753.00
01.02.2023	Hyundai Kona	KY71UTJ	35,491.00
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
			209,051.00
Total Fixed Assets			1,732,644.00

**Reconciliation between Box 7 and Box 8 in Section 1
(31/03/2023)**

Eastern Inshore Fisheries and Conservation Authority

	£	£
Box 7 Balances carried forward (31/03/2023)		1,927,034
Deduct -		
- Debtors	4,000	
- HMRC (VAT)	<u>243,533</u>	
Total deductions		-247,533
Add		
- Creditors	247,553	
Total additions		247,553
Cash and short term investments		1,927,054

Notes -

Shortfall for the year £227,734 made up as follows:-

Salary savings £137,150 vacancy management

overspends on Patrol Vessels £3,659 and Vehicles £3,661

Offset by savings TC £4,195 and Mooring fees £4,030

Marine Protection showed a saving of £8,076 whereas Marine Science overspent £9,460 mainly due to the purchase of a new ROV.

Unbudgeted costs –

Asset purchase £529,304 stage payments for new vessel and 2 replacement vehicles

Income –

Asset replacement contribution from the three County Councils of £163,910 has been included as income and transferred to reserves.

£50,000 from Defra for workstream funding