



**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  
4<sup>th</sup> February 2025  
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: 4 February 2025

Time: 10.30 hours

Venue: Meeting Room 1, Eastern IFCA, Unit 6 North Lynn Business Village, Bergen Way, King's Lynn Norfolk, 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 5 November 2024 – page 3
- 5 Matters Arising - *Clerk*
- 6 Quarter 3 Payments and Receipts – *CEO / Joanne Sams* page 9
- 7 Quarter 3 Management Accounts – *CEO / Joanne Sams* page 12
- 8 Appointment of Auditors – *CEO* page 16
- 9 Cromer Shoal MCZ ARM project finances – *CEO* – page 17
- 10 *To resolve that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for item 11 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act.*

## Information Items

- 11 HR Update – *Deputy Chief Officer* - page 30
- 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: 20 January 2025

## 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, King's Lynn on 5<sup>th</sup> November 2024 at 1030 hours.

### Members Present:

Cllr T FitzPatrick	Chair	Norfolk County Council
Cllr P Skinner	Vice Chair	Lincolnshire County Council
Cllr E Back		Suffolk County Council
Cllr M Chenery of Horsburgh		Norfolk County Council
Cllr P Coupland		Lincolnshire County Council
Ms I Smith		MMO Appointee

### Eastern IFCA Officers Present:

J Butler	Assistant Chief Officer (DD)
J Gregory	CEO

### FHR24/26 Welcome

The Chair welcomed members to the meeting.

### FHR24/27 Apologies for absence

Apologies for absence were received from Cllrs Adam (NCC) and Vigo Di Gallidoro (SCC), Mr S Williamson (MMO Appointee) and Ms J Sams (Aston Shaw Accountants).

### FHR24/28 Declarations of Members Interest.

No Declarations of Interest were received.

### FHR24/29 Minutes of the Finance and Personnel Sub-committee meeting held on 6<sup>th</sup> August 2024

**Members Agreed to accept the minutes as a true record of proceedings.**

### FHR24/30 Matters Arising

Members were advised of the current situation regarding the sale of *RV Three Counties*, including the Brokers changing their sales strategy and reducing the asking price. It was acknowledged from the outset that the maximum speed of the vessel may not meet the requirements of many

prospective purchasers. It is anticipated that soe cost may be incurred in keeping the vessel coded and operational to improve saleability.

#### **FHR24/31 Year End Accounts 2024 Update**

The CEO advised Members there had been an Omission of Error when compiling the End of Year Accounts. The error related to the salary total, but the overall figures were not affected but two rows had been hidden in the spreadsheet which was copied into the report.

Members noted the error and acknowledged the resigning of the Annual Return 2024, by the Chair and CEO.

**Members Agreed to Note the report.**

#### **FHR24/32 Quarter 2: Payments and Receipts**

Members were provided with a breakdown of the payments and receipts during the last quarter. Ms Smith queried the increased expenditure under the RIB heading, which was due to the vessel having made contact with a fishing vessel whilst carrying out a boarding. It was noted part of the expense would be reclaimed through insurance.

Cllr Skinner questioned whether there had been any new information regarding the continuation of New Burden Funding. The CEO advised he was reasonably certain New Burden Funding would continue in some form, but he was less certain that the additional workstream funding would continue.

Cllr Chenery of Horsbrugh questioned the expense under 'Medicals' and was advised this was the cost of an ML5 medical.

**Members Agreed to Note the contents of the paper.**

#### **FHR24/33 Quarter 2: Management Accounts**

The Management Accounts gave a breakdown of expenditure compared to budget. It was noted the anticipated deficit of £100k was currently looking like it may be slightly less by the end of the year, however, there were two vacant posts that would contribute to this.

The Vessel expenditure was slightly higher than anticipated, which was due to two new vessels coming into service, and inevitable teething problems.

It was explained to Members that should there be any surplus expense at the end of the financial year it would go into Reserve funds.

It was questioned what the impact might be of running with two vacant posts. As one of the posts was a Marine Science Officer, there was a possibility it could impact priority workstreams, the outstanding IFCO posts would prove challenging but was slightly easier to manage.

However, it was emphasised that the Business Plan priorities would be prioritised, it just might be a little slower in completion.

Ms Smith questioned if this was the reason some reports related to the Cromer Shoal MCZ were late. The CEO advised one of the reports was due in December, a further report which was slightly delayed, but this would not have a negative impact as it would be completed in time to align with other interdependencies.

**Members Agreed to note the content of the report.**

#### **FHR24/34` Provisional Budget 2025-26 and Budget Forecast to 2030**

The CEO provided Members with a brief run through of the process undertaken to arrive at the budget figures. It was also noted there had been a meeting with representatives of the three County Council Directors of Finance who had advised they would be able to accept an overall uplift of 3% on levies and asset replacement funding.

There remained some unknowns to the budget, such as what the outcome of the Annual LGA pay negotiations would be next year and that no confirmation had been received on Defra workstream funding so an assumption of £140k was used in the Budget income figures. It was also assumed New Burden Funding would continue at the same rate.

Working through the Budget figures, it was noted no 'inflation contingency' was added in the figures for 2025/2026, the anticipated outturn in March 2026 was a deficit of £57,061.

Cllr Coupland questioned who would make the decision on New Burden Funding. The CEO advised his was down to decisions made by high level officers at Defra. Bids for funding were put together by AIFCA on behalf of all IFCA's.

It was noted that many IFCA's were in a worse financial situation than EIFCA. EIFCA were in the fortunate position of having Reserves, however, these would not last for long if they had to fill the projected shortfall in revenue budget in the five-year projection. The CEO advised that this issue had been raised at the meeting with the County Council Finance representatives. The CEO had set out that the approach was to actively seek central finding via AIFCA bids to Defra, to explore the potential for any efficiency savings, although as a very small organisation there was very little scope for this, and to consider seeking an uplift in levies. Cllr Coupland felt the Officers should not be complacent in thinking the County Councils would pick up the bill.

Cllr Coupland requested his concern around Defra funding be minuted.

**Members Resolved to:**

- **Note the content of the report and that there may be relatively minor revisions to the budget and budget headings prior to consideration by the full Authority.**

- Approve and recommend the Draft Budget 2025/26 to the full Authority at their next meeting on 11 December 2024
- Approve and recommend the Levies for 2025/26 to the full Authority at their next meeting on 11 December 2024
- Approve the Forecast for the following 4 years to 2029/30 for presentation to the full Authority at their next meeting on 11 December 2024

Proposed: Cllr Chenery of Horsbrugh

Seconded: Cllr Back

All Agreed

#### **FHR24/35 Resolution**

Members Resolved that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for

- a) Items 12 & 13 on the grounds that it involved the likely 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.

Proposed: Chair

Seconded: Cllr Skinner

All Agreed

#### **FHR24/36 Vessel Expenditure**

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

Members were reminded of the process undergone to reach the point of three new vessels being brought into service during this financial year.

It was anticipated *FPV Protector IV* would prove more capable than its predecessor and would remain operational for circa 30 years. Its arrival had highlighted some snagging issues as well as operational challenges which were inevitable due to it being equipped with much more modern technology than the previous vessel.

The daughter vessel for *FPV Protector IV* had proved a challenge to design due to the weight restrictions but it was anticipated this would be delivered within the next few weeks. Unfortunately matters associated with commercial coding had brought about additional restrictions and costs incurred in meeting those regulations.

The refit of *FPV Thunderstruck* had been completed, the vessel was currently based in Lowestoft and was intended to be used in the Wash and for overseeing the whelk fishery. Initially a £20k contingency had been allowed in the price of this vessel but additional costs had been encountered related to the new engine requirements, alterations to the mast and Work Boat 3 requirements, there also remained a need to

upgrade the electronics to enable the vessel to effectively carry out enforcement work. These additions meant the excess expenditure would exceed the agreed £20k.

*FPV Sebastian Terelinck* had been in service for 9 of its projected 10 year working life with the Authority. The vessel remained very capable but in need of some refit work if she was going to continue in service. In terms of engine restrictions on a new vessel it was felt a refit of the vessel would be preferable to a new build at this point. It was anticipated technology would move on and there may be more engine options in the future.

ACO(DD) Butler had provided a breakdown of the additional/anticipated costs of the vessel issues. It was noted the additional costs could not be met through the Revenue Budget and would need to draw on reserves. Going forward it was anticipated vessel costs would decrease as the newer vessels should require less maintenance than *RV Three Counties* had.

Members were also advised that the CDEL for *FPV Thunderstruck* whilst agreed in a prior financial year had still not been forthcoming from Defra, although a confirmation letter had been received in that financial year. It was understood that the process to allocate was still ongoing.

Cllr Skinner queried what the lifespan of *FPV Sebastian Terelinck* would be if the vessel was to undergo a full refit. It was felt there was a possibility the vessel could last another 10 years, but there were no guarantees. If an engine was to fail then it was understood that it could only be replaced by with a Tier 3 engine, which would not fit in the vessel, or one identical to that currently in the boat, which may not be available. However the CEO felt it was a risk worth taking as it was a relatively modest cost to undergo a refit compared to a replacement vessel.

**Members Resolved to:**

**Note the contents of the report**

**Agree the apportionment of the described costs associated with the delivery of FPV Protector IV, FPV Thunderstruck and C-Runner into service to 'asset replacement'**

**Agree the use of reserves for the refit of FPV Sebastian Terelinck**

**Agree to delegate decision making on increases in the estimates of expenditure set out in this paper to the CEO noting that the allocation of works and purchases would be in accordance with the Financial Regulations set out in the Authority's Constitution and Standing Orders.**

**Proposed: Cllr Chenery of Horsbrugh**

**Seconded: Cllr Skinner**

**All Agreed.**

**FHR24/37 Structure Review Update**

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

Members had previously been made aware of changes to the staffing structure which had been implemented for a trial period. The trial had run for 8 months with the changes proving to have had a positive impact. Following discussion with the Chair and Vice-Chair a decision had been made to make the changes permanent.

Part of the structure change had been the re-introduction of a third Executive Officer. Following the decision to make the revised structure permanent further work was carried out regarding the role allocation of the Executive Officer roles. It was decided that both posts below CEO should be renamed to Assistant Chief Officer with one be allocated the role of Designated Deputy in the absence of the CEO. Both roles were on the same salary band but the Designated Deputy role would attract an enhancement on the salary in recognition of the additional responsibility. Whilst reviewing these two positions it was also noted the CEO salary scale was too long, the decision was therefore made to reduce the scope of the band, with it starting further up the scale.

Following this work an amended salary scale was introduced to reflect the changes. The overall impact on the budget was a slight saving.

**Members Agreed to note the content of the report.**

#### **HR24/38 HR Update**

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

- During the previous quarter there had been no new starters. One IFCO had resigned as a result of an ongoing health condition.
- Three officers whose positions were part of the restructure all completed their probationary period.
- There remained two vacant positions, both of which were currently frozen.
- Sickness levels remained generally low
- No update had been received regarding the national pay award at the time of writing the report, it had however been received since then.
- Staff had all been asked to complete a HSE Stress survey – the outcome of which would be discussed following this meeting. Any significant issues would be reported at the next F&HR meeting.

Cllr Coupland questioned the arrangements regarding the leaver and the potential for any compensation claim. Members were advised an agreement had been signed at the point of leaving.

**Members Agreed to note the content of the Report.**

#### **FHR24/39 Any Other Business**

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

There being no other matters to discuss the meeting closed at 1153 hours, the Chair thanked members for attending.

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## Action Item 6

### Finance and HR sub-committee meeting

4 February 2025

**Report by:** Julian Gregory, CEO and Joanne Sams – Aston Shaw Accountants

### **Payments made and monies received during the period 1 October to 31 December 2024 (Quarter 3)**

#### Recommendations

Members are asked to:

- **Note** the content of the paper.

#### Background

It is a requirement of the Authority's Constitution and Standing Orders that the Authority's payments and receipts are presented to Members of the Finance and HR sub-committee on a quarterly basis.

The reports are prepared by the Authority's accountants, Aston Shaw in conjunction with officers.

#### Report

The report on Payments made and monies received during the period 1<sup>st</sup> October to 31<sup>st</sup> December 2023 are shown in the following tables.

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

#### Notes

- Asset purchases show a negative figure in October due to a refund from a supplier (Charity and Taylor).
- Marine Science shows a negative figure in November, which is due to a refund for accelerometers and a payment returned via the bank as the supplier's account details had changed.
- The negative figure against *FPV Sebastian Terelinck* is due to an insurance payout for damage repairs being accounted for.

#### Background documents

There are no background documents to this paper.

<b>Summary of Payments made during the period 1st October to 31st December 2024</b>				
	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Transfer to EIFCA Salaries Account	109,000	126,000	100,000	335,000
<b>General Expenditure</b>				
Accommodation	5,423	3,211	10,745	19,379
Insurance	0	0	0	0
General Establishment	7,265	7,771	7,645	22,681
Officers Expenses	977	718	1,049	2,744
Members Expenses	53	48	247	347
Training	1,538	442	55	2,035
<b>Total General Expenditure</b>	<b>15,256</b>	<b>12,190</b>	<b>19,740</b>	<b>47,187</b>
<b>Operational Costs</b>				
Media & Adverts	0	0	0	0
Enforcement	273	273	0	546
Marine Science	207	-1,002	233	-562
<b>Total Operational Costs</b>	<b>480</b>	<b>-730</b>	<b>233</b>	<b>-16</b>
<b>Vessels</b>				
Three Counties	1,357	128	36	1,521
Protector IV	1,345	278	368	1,991
Thunderstruck	546	1,077	1,711	3,334
Sea Spray	26	49	110	185
C-Runner	0	0	0	0
Sebastian Terrelink	1,044	-2,727	52	-1,631
<b>Sub-total</b>	<b>4,318</b>	<b>-1,194</b>	<b>2,277</b>	<b>5,400</b>
				0
Fuel All Vessels	6,075	2,977	2,080	11,132
Moorings and Harbour dues	1,387	252	490	2,129
Vessel Insurance	0	0	0	0
<b>Total Vessels</b>	<b>11,780</b>	<b>2,035</b>	<b>4,846</b>	<b>18,661</b>
<b>Grant Funded Projects</b>	<b>0</b>	<b>559</b>	<b>3,653</b>	<b>4,213</b>
<b>Vehicles</b>	<b>2,337</b>	<b>4,466</b>	<b>1,551</b>	<b>8,354</b>
<b>Asset Purchases</b>	<b>-212</b>	<b>0</b>	<b>21,849</b>	<b>21,637</b>
<b>VAT Recoverable</b>	<b>4,017</b>	<b>3,225</b>	<b>9,563</b>	<b>16,805</b>
<b>Total Payment Made</b>	<b>142,658</b>	<b>147,746</b>	<b>161,436</b>	<b>451,840</b>
<b>Monies received during the period 1st October to 31st December 2024</b>				
	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Levies	0	0	0	0
Asset Replacement	0	0	0	0
New Burden	0	0	0	0
Whelk Permits	125	650	150	925
Shrimp Permit	300	200	100	600
EHO Income	0	0	0	0
Wash Fisheries/Lays	0	0	0	0
Bank Bonus & Interest	2	0	5,900	5,902
Grants		7,000		7,000
Grants for work in Cromer MCZ	18,750	14	7,182	25,946
Fixed Penalty Fine	0	0	0	0
Miscellaneous	0	0	0	0
VAT	0	65,880	34,848	100,727
<b>TOTAL PAYMENTS RECEIVED</b>	<b>19,177</b>	<b>73,744</b>	<b>48,180</b>	<b>141,101</b>

**Detailed breakdown of Payments made during the period 1st October to 31st December 2024**

	Oct	Nov	Dec	Total
	£	£	£	£
Transfer to EIFCA Salaries Account	109,000	126,000	100,000	335,000
Rent	3,382	0	8,544	11,926
Rates	1,248	1,248	1,248	3,744
Electricity	37	253	401	690
Water	72	56	60	189
Service charges - office	0	0	0	0
Maintenance & Redecoration	684	1,654	493	2,831
Insurance office/unit A	0	0	0	0
Subscriptions	322	572	1,885	2,779
Recruitment	0	0	0	0
Legal & Professional fees	4,131	3,757	3,112	11,000
Telephones	817	881	845	2,542
Postage & Stationery	534	864	134	1,533
IT Stationery	0	1,790	0	1,790
Uniforms & Protective Clothing	901	122	1,098	2,122
Medical Costs	264	0	0	264
Sundry Costs (inc meeting costs)	296	-215	570	651
Officers Travel & Subsistence	977	718	1,049	2,744
Members Expenses	53	48	247	347
Training	1,538	442	55	2,035
Media & Adverts	0	0	0	0
Marine Science	207	-1,002	233	-562
Enforcement	273	273	0	546
Wash Fisheries/Lays	0	0	0	0
Moorings & Harbour Dues	1,387	252	490	2,129
Three Counties/Thunderstruck/PIV	3,248	1,483	2,115	6,846
RIBs - ST/SeaSpray/C-Runner	1,070	-2,677	162	-1,445
Vessel Fuel	6,075	2,977	2,080	11,132
Vessel Insurance	0	0	0	0
Vehicle Operating Costs	2,337	4,466	1,551	8,354
Grant Funded Project	0	559	3,653	4,213
Asset Purchases	-212	0	21,849	21,637
VAT Recoverable	4,017	3,225	9,563	16,805
<b>Total Payment Made</b>	<b>142,658</b>	<b>147,746</b>	<b>161,436</b>	<b>451,840</b>

**Monies received during the period 1st October to 31st December 2024**

	Oct	Nov	Dec	Total
	£	£	£	£
Levies	0	0	0	0
Asset Replacement	0	0	0	0
New Burden	0	0	0	0
Whelk Permits	125	650	150	925
Shrimp Permit	300	200	100	600
EHO Income	0	0	0	0
Wash Fisheries/Lays	0	0	0	0
Bank Bonus & Interest	2	0	5,900	5,902
Grants	0	7,000	0	7,000
Grants for work in Cromer MCZ	18,750	14	7,182	25,946
Fixed Penalty Fine	0	0	0	0
Miscellaneous	0	0	0	0
VAT	0	65,880	34,848	100,727
<b>TOTAL PAYMENTS RECEIVED</b>	<b>19,177</b>	<b>73,744</b>	<b>48,180</b>	<b>141,101</b>

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## Action Item 7

### Finance and HR sub-committee meeting

4 February 2025

**Report by:** Julian Gregory, CEO and Joanne Sams – Aston Shaw Accountants

### **Report on the Management Accounts during the period 1 October to 31 December 2024 (Quarter 3)**

#### **Purpose of report**

To provide 3rd Quarter Management Accounts for members to note.

#### **Recommendations:**

Members are asked to:

- **Note** the Management Accounts

#### **Background**

It is a requirement of the Authority's Constitution and Standing Orders that the quarterly accounts are presented to Members of the Finance and HR sub-committee on a quarterly basis.

The reports are prepared by the Authority's accountants, Aston Shaw in conjunction with officers.

#### **Report**

The report on the management accounts up to the end of quarter 3 (31 December 2024) are shown in the following tables.

#### **Notes**

- Insurance is over projection due to an unexpected increase in costs since last year.
- General expenditure is over projection but nothing of significance has been noted and is likely to be due to general inflationary pressures.
- The negative figure against Marine Science negative total this quarter is due to a refund of for equipment purchased earlier in the year which were not subsequently required.

- The negative figure against *FPV Sebastian Terelinck* is due to an insurance payout for damage repairs being accounted for.
- The negative figure against *FPV Thunderstruck* is due to credit from a supplier (Charity and Taylor).

**Background documents**

There are no background documents to this paper.

<b>Management Accounts - October - December 2024</b>							
<b>Account</b>	<b>Oct-Dec 2024</b>	<b>Jul-Sept 2024</b>	<b>Apr-Jun 2024</b>	<b>Total</b>	<b>Budget year to date</b>	<b>Variance</b>	<b>Budget 2024/25</b>
<b>Salaries &amp; Wages</b>							
Wages	253,076	225,695	226,429	705,200	770,367	65,167	1,027,156
Employers Pension	54,124	48,738	44,872	147,734	173,668	25,933	231,557
Employers NIC	27,708	23,748	23,836	75,292	73,243	-2,049	97,657
<b>Total Salaries &amp; Wages</b>	<b>334,909</b>	<b>298,181</b>	<b>295,137</b>	<b>928,227</b>	<b>1,017,278</b>	<b>89,051</b>	<b>1,356,370</b>
<b>General Expenditure</b>							
Accommodation	17,609	13,594	16,955	48,158	65,854	17,696	87,805
Insurance	4,808	5,151	1,568	11,527	8,165	-3,363	10,886
General Establishment	34,514	44,752	38,570	117,836	103,575	-14,261	138,100
Officers Expenses	3,296	2,713	6,998	13,008	11,250	-1,758	15,000
Members Expenses	356	19	293	669	1,125	456	1,500
Training	4,650	542	2,810	8,002	26,250	18,249	35,000
<b>Total General Expenditure</b>	<b>65,234</b>	<b>66,771</b>	<b>67,194</b>	<b>199,199</b>	<b>216,218</b>	<b>17,019</b>	<b>288,291</b>
<b>Operational Costs</b>							
Media & Adverts	0	486	0	486	750	264	1,000
Enforcement	640	2,828	3,552	7,020	16,125	9,105	21,500
Marine Science	-335	3,757	5,530	8,953	13,500	4,547	18,000
<b>Total Operational Costs</b>	<b>305</b>	<b>7,071</b>	<b>9,082</b>	<b>16,458</b>	<b>30,375</b>	<b>13,917</b>	<b>40,500</b>
<b>Grant funded projects</b>							
Grant funded projects	4,210	3	777				
<b>Total Grant Funded projects</b>	<b>4,210</b>	<b>3</b>	<b>777</b>				
<b>Vessels</b>							
Three Counties	1,620	395	24,990				
Protector IV	2,022	1,108	639				
Thunderstruck	3,633	1,426	783				
Sea Spray	295	1,063	421				
C-Runner	0	71	88				
Sebastian Terrelink	-1,631	12,459	7,275				
<b>Sub-total</b>	<b>5,940</b>	<b>16,521</b>	<b>34,195</b>	<b>56,656</b>	<b>39,000</b>	<b>-17,656</b>	<b>52,000</b>
Fuel All Vessels	11,132	6,352	15,089	32,573	30,000	-2,573	40,000
Mooring & Harbour Dues	2,129	1,089	1,158	4,376	4,875	499	6,500
Vessels Insurance	11,312	11,312	4,065	26,688	31,500	4,812	42,000
<b>Total Vessels</b>	<b>30,513</b>	<b>35,274</b>	<b>54,507</b>	<b>120,294</b>	<b>105,375</b>	<b>-14,919</b>	<b>140,500</b>
<b>Vehicles</b>							
<b>Vehicle Operating Costs</b>	<b>11,134</b>	<b>12,080</b>	<b>9,258</b>	<b>32,471</b>	<b>34,380</b>	<b>1,909</b>	<b>45,840</b>
<b>Contingency</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,000</b>	<b>30,000</b>	<b>40,000</b>
<b>TOTAL EXPENDITURE</b>	<b>446,304</b>	<b>419,380</b>	<b>435,955</b>	<b>1,301,639</b>	<b>1,433,626</b>	<b>131,987</b>	<b>1,911,501</b>
<b>Asset Purchases</b>							
Protector IV	99	79,275	184,320				
Thunderstruck - Potting Vessel	-212	21,879	35,927				
C-Runner - PIV daughter vessel	21,750	6,000	2,841				
<b>Total Asset Purchases</b>	<b>21,637</b>	<b>107,154</b>	<b>223,087</b>	<b>351,878</b>	<b>1,403,626</b>	<b>1,051,747</b>	<b>1,871,501</b>

	Oct-Dec 2024	Jul-Sept 2024	Apr-Jun 2024	Total	variance	Budget 2024/25
<b>Income</b>						
Levies	0	711,176	445,205	1,156,381	0	1,156,381
Asset Replacement	0	106,944	66,948	173,892	0	173,892
New Burden	0	242,399	151,746	394,145	0	394,145
Defra Workstream Funding	0	0	0	0	-140,000	140,000
<b>Total Income</b>	<b>0</b>	<b>1,060,519</b>	<b>663,899</b>	<b>1,724,418</b>	<b>-140,000</b>	<b>1,864,418</b>
<b>Miscellaneous Income</b>						
Whelk Permits	925	325	2,435	3,685	1,535	2,150
Shrimp Permit	600	2,003	0	2,603	203	2,400
EHO Income	0	0	9,216	9,216	-256	9,472
Lays	0	203	-100	103	103	
Cockle licences	0	0	0	0	-69,000	69,000
Bank Bonus & Interest	5,902	4,292	4,517	14,711	5,227	9,484
Grants	7,000		12,500	19,500	-500	20,000
Miscellaneous	0	526	6,563	7,089	7,089	
<b>Total Miscellaneous Income</b>	<b>14,427</b>	<b>7,348</b>	<b>35,131</b>	<b>56,906</b>	<b>-55,600</b>	<b>112,506</b>
<b>TOTAL INCOME</b>	<b>14,427</b>	<b>1,067,867</b>	<b>699,030</b>	<b>1,781,324</b>	<b>-195,600</b>	<b>1,976,924</b>
<b>Earmarked Grant Funding</b>						
Grants for work in Cromer MCZ	5,150	18,699	15,000	38,849	38,849	

### 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

04 February 2025

#### Appointment of Auditors

**Report by:** Julian Gregory, CEO

#### **Purpose of Report**

To seek members approval to engage auditors for the 2024/25 Financial Year.

#### **Recommendations**

It is recommended that members:

- **Approve** the engagement of Norfolk Audit Services to carry out the internal audit and the appointment of PKF Littlejohn to audit the Annual Return.

#### **Background**

Although it is no longer a statutory requirement for the Authority to engage auditors the Officers believe that the re-assurance the scrutiny provides is worth the modest cost.

#### **Report**

As in previous years the internal audit performed by Norfolk Audit Services will focus on our systems, procedures and controls and highlight areas for improvement. The external audit merely verifies the accuracy of the Annual Return, and this service is provided by PKF Littlejohn LLP.

#### **Financial Implications**

The fees for both audits are included in the budget.

#### **Legal Implications**

None.

### 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 and HR Sub-Committee Meeting

04 February 2025

### Cromer Shoal MCZ ARM Project Finances

**Report by:** Julian Gregory, CEO

#### **Purpose of Report**

To advise members of the financial situation relating to the Cromer Shoal MCZ Adaptive Risk Management (ARM) project.

#### **Recommendations**

It is recommended that members:

**Note** the content of the report and in particular that it may be necessary to consider the use of the Authority's reserves in the context of an already unfavourable fiscal situation.

#### **Background**

Eastern IFCA has adopted an Adaptive Risk Management approach (ARM) to the management of the potting activities in the Cromer Shoal Chalk Beds Marine Conservation Zone (hereafter, 'the MCZ'), following Natural England advice in 2020 that this approach was suitable.

Adaptive management is considered as 'learning by doing' then adapting based on that learning (JNCC, 2019<sup>1</sup>) and can provide a framework for managing ecosystems where there are multiple sources of uncertainty (Williams and Brown, 2018<sup>2</sup>). ARM requires the implementation of management proportionate to the risk identified, and adequately precautionary, followed by a process of evaluation and refinement of that management. Its purpose is to provide a flexible approach to managing activities whilst gaining a better understanding of the subject through monitoring and research.

In April 2022, Eastern IFCA submitted to Natural England an updated assessment of the impact of the potting fishery on the MCZ. The assessment concluded that pressures associated with potting activity exerted on MCZ rugged chalk features are

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<sup>1</sup> NCC, NE, Bangor University, MMO and NFFO, 2019. Review of the current context of Adaptive Risk Management. Available at: <<https://data.jncc.gov.uk/data/80152204-c084-4b5c-8516-c5cde4a63318/Currentcontext-of-Adaptive-Risk-Management-review-V1.0.pdf>> [accessed 28th March 2023].

<sup>2</sup> Williams, B. K. & Brown, E. D., (2018). Double-Loop Learning in Adaptive Management: The Need, the Challenge, and the Opportunity. Environ Manag, p1-12

not likely to have reached a point where they could be hindering site conservation objectives at the current time, but that over time repeated potting interactions could lead to cumulative impacts, potentially increasing the risk to designated features. ARM was proposed as mitigation and, subsequently, an ARM plan<sup>3</sup> was developed, setting out how ARM would be applied to manage the fishery in line with the site's conservation objectives.

The Cromer Shoal Chalk Bed Byelaw 2023 was made by the Authority on the 8<sup>th</sup> of March 2023 at the 51<sup>st</sup> Eastern IFCA Meeting. The byelaw is primarily intended to enable the implementation of flexible permit conditions and other flexible management measures a required and informed by ARM. On the 11<sup>th</sup> of September 2024 at the 57<sup>th</sup> Eastern IFCA Meeting, members agreed the first suite of Byelaw Permit conditions to be implemented under the byelaw when it comes into effect, including:

- A winter closure that prohibits potting activity within the 'rugged chalk area' during winter
- An inshore vessel restriction, which would prohibit fishing within 3nm of the shore (within the MCZ) except from 'beach-launched' vessels

The rugged chalk management area for the winter closure was considered and agreed at the 58<sup>th</sup> Eastern IFCA in December 2024.

There is considerable stakeholder interest in Eastern IFCA's management of the potting fishery in the MCZ, both from commercial fisheries and from conservation interests. Eastern IFCA is committed to developing appropriate management that meets legal conservation requirements whilst minimising impacts on fishing operations as far as is possible.

The Cromer Shoal Chalk Beds MCZ ARM project (ARM project) is a priority in the Authority's Business Plan and is aligned to the duty "to ensure that the conservation objectives of Marine Protected Areas in the district are furthered", as required in s.154 of the Marine & Coastal Access Act 2009.

Funding has been sought from external sources on an annual basis for specific projects within ARM and whilst long term funding opportunities have been explored, none were found that were suitable. For these reasons, there is currently no confirmed funding for the 2025/2026, 2026/2027 and 2027/2028 financial periods.

## **Report**

Funding for the ARM project was considered at a meeting of the Project Board held on 8 January 2025 and a copy of the supporting paper can be found at Appendix A.

In summary, the ARM project currently comprises four key workstreams that are being funded by a variety of sources:

- Natural Disturbance Study – intended to assess the level of natural disturbance/damage to rugged chalk in comparison with disturbance/damage caused by fishing (potting) activity. Funded to date by a combination of grant

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<sup>3</sup> Available at: [https://www.eastern-ifca.gov.uk/wp-content/uploads/2024/08/2024\\_CSCB\\_MCZ\\_ARM\\_Plan\\_FINAL.pdf](https://www.eastern-ifca.gov.uk/wp-content/uploads/2024/08/2024_CSCB_MCZ_ARM_Plan_FINAL.pdf)

funding from Bue Marine Foundation, Natural England and the Fisheries and Seafood Scheme. A bid has been made to the Hornsea Three Community Fund for 2025-26.

- Tagging Project – trailing pot tags to establish which type will provide the best in effectiveness and longevity. This project is funded by a grant of £15k from the World Wildlife Fund for Nature.
- Adaptive Gear Trials – considering changes to fishing gear to reduce the impact that they have on the environment. Currently un-funded with bids for funding being explored with the Esmee Fairburn Foundation and North Sea Wildlife Trusts.
- Fishing Activity Mapping – intended to establish the location of fishing activity through the provision of relatively inexpensive tracking devices carried voluntarily by fishers and funded from the Eastern IFCA annual revenue budget.

It is noteworthy that some funding streams cover items such as staff costs so there is effectively an element of income generation for the Authority as expenditure of resources on the project is recompensed. This is referred to as a 'surplus' in the paper at Appendix A for want of a better description.

The table below provides a summary of financial projections for the ARM projects with the nominal 'surplus' (totalling circa £50k) highlighted in green and current shortfalls in red. It should be noted that the FASS funding for the natural Disturbance Project can only be claimed against actual expenditure for the purpose identified for each amount and element of the project.

Project	2023/ 2024	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028
<b>Fishing Activity Mapping</b>	£0	£0	£0		
<b>Tagging Project</b>		£7,792*			
<b>Natural Disturbance Study</b>	£19,968	£43,084 (FASS £37,314* NE £5,770)	£47,788	£47,788	£47,788
<b>Adaptive Gear Trials</b>			£40,260		

\*'Surplus' generated by claiming against officer and vessel associated costs.

Funding is currently being sought (as described above) to address the projected shortfalls but if this should prove unsuccessful or to raise insufficient funds the ability to progress the described priority workstreams will be in doubt. In such circumstances, because there is no provision for additional expenditure on the projects within the Authority's annual revenue budget, it may be necessary to consider whether or not the use of reserves may be appropriate. However, this would be in the context of projected shortfalls in budgetary provision for this financial year with projections of a shortfall of circa £248k next year increasing to circa £294k by 2029-30. Work is planned to seek to address these shortfalls but has not yet been undertaken.

## **Financial Implications**

No immediate implications as external funding is being sought. In the event that this proves unsuccessful or fails to secure sufficient funds members may be asked to consider the use of the Authority's reserves. Whilst this would represent additional expenditure not previously accounted for it would, to a certain extent, be offset by the described 'income generation' elements of external funding secured to date.

## **Legal Implications**

The key legal implications relate to the Authority's statutory duties, which include furthering the conservation objectives of an MCZ (s.154 Marine & Coastal Access Act 2009) and having due regard for conservation advice provided by Natural England. The ARM project is a collaborative project, agreed with Natural England as a sufficiently precautionary approach to managing risk within the MCZ. If the Authority is unable to continue with the ARM project, then it would not be aligned with the formal advice from Natural England and it is likely that such advice would change and that the Authority would be advised that closure of all or parts of the fishery on the rugged chalk would be necessary. Failure to comply with such advice would not be in accordance with statutory obligations and may leave the Authority open to legal challenge.

## **Conclusion**

The importance of continuing the ARM project is self-evident, particularly in light of the risk to the continuance of the fishery in its current form if the ARM project is unable to progress as planned.

At this stage the intention is to continue to pursue external sources of funding for the ARM projects, but members are asked to note the financial situation and in particular that it may be necessary to consider the use of the Authority's reserves in the context of an already unfavourable fiscal situation.

## **Appendices**

Appendix A – Paper for the Cromer MCZ ARM Project Board held on 8 January 2025 entitled 'ARM Budget and Funding.'

## **Background Documents**

Papers and minutes for the 51<sup>st</sup> meeting of Eastern Inshore Fisheries and Conservation Authority.

Papers and minutes for the 57<sup>th</sup> meeting of Eastern Inshore Fisheries and Conservation Authority.

Papers and minutes for the 58<sup>th</sup> meeting of Eastern Inshore Fisheries and Conservation Authority.

## Appendix A

### **Item 6a: ARM Budget and Funding**

**By:** Samantha Hormbrey, SMSO

#### **Purpose:**

To share the estimated and projected costs for ARM related work against confirmed funding to inform members of the financial restraints and requirements and to ensure transparency.

#### **Recommendations:**

It is recommended that members:

- **Note** the contents of the budget

#### **Report**

This report provides a summary of the estimated costs, spend to date and projected costs for each ARM project against confirmed funding streams so that shortfalls and surpluses can be identified and managed. Table 1 presents a summary of confirmed and applied for funding streams.

Costs have been estimated for each project and broken down into 'actual costs', which represent additional expenditure not included in the Authority's annual budget, and 'costs associated with officer and vessel time' which are already covered by the Authority's annual budget. It should be noted that costs associated with officer time have been calculated based on 2023/2024 rates as they were the most up to date at the time of calculating. Further, vessel day rates and fuel rates are based on those for *FPV Sebastian Terelinck* and *RV Three Counties*. Whilst much of the vessel based work will likely be completed on the new Authority vessels, *FPV Thunderstruck* or *FPV Protector IV*, day and fuel rates were not available for these vessels at the time of calculating.

**Table 1:** Summary of funding streams for ARM projects, including spend for 2023/2024. Where funding has been applied for, but it is not yet confirmed, text is grey italics.

<b>Funding Source</b>	<b>Period</b>	<b>Amount confirmed (or applied for)</b>	<b>Spent</b>
<b>Natural Disturbance Study</b>			
Blue Marine Foundation	2023/2024	£25,000.00	£3,634.95
Natural England	2023/2024	£25,000.00	£16,333.90
Natural England	2024/2025	£25,000.00	
Fisheries and Seafood Scheme	2024/2025	£70,457.16	
<i>Hornsea Three Community Fund</i>	<i>2025/2026</i>	<i>£54,249.00</i>	
<b>Tagging Project</b>			
World Wide Fund for Nature	2024	£15,000.00	
<b>Adaptive Gear Trials</b>			
<i>Esmee Fairburn Foundation</i>	<i>2025/2026</i>	<i>£33,000.00</i>	

Funding has so far been sought on an annual basis for specific projects within ARM. Whilst long term funding opportunities have been explored, none were found that were suitable. For these reasons, there is no confirmed funding for the 2025/2026, 2026/2027 and 2027/2028 financial periods. The Authority has applied for funding for the *Natural Disturbance Study* for 2025/2026 and the North Sea Wildlife Trusts have submitted an expression of interest for funding for *Adaptive Gear Trials* planned for 2025/2026.

#### Fishing Activity Mapping

Actual costs associated with the *Fishing Activity Mapping* project include trackers and subscription fees and have been estimated for the 2024/2025 and 2025/2026 financial years (Table 2). To be fully transparent costs associated with officer time spent on the project have also been estimated and presented in Table 2. It is anticipated that the Statutory Instrument for IVMS will come into effect in 2025, removing the need for the Authority to supply and fund trackers and subscriptions in order to obtain vessel positions required for the project. As such there are no actual costs anticipated for subsequent financial years, though officer time will be required to process and analyse data. It should be noted that prior to the current financial year, the cost of trackers and subscriptions fees have been allocated to the

Authority's Marine Science budget and no alternative funding has yet been identified to cover these costs for this or the next financial years.

Projected actual costs total £1,279.68 for each financial year and as no funding has been secured to cover these costs leaves a nominal shortfall of £1279.68 per year, albeit the cost can be absorbed by the Authority's annual revenue budget.

**Table 2:** Summary of the financial projection for the Fishing Activity Mapping project.

<b>Fishing Activity Mapping</b>		<b>2024/ 2025</b>	<b>2025/ 2026</b>	<b>2026/ 2027</b>	<b>2027/ 2028</b>
<b>Actual costs</b>	Total estimated	£1,279.68	£1,279.68		
	Spend to date (Q1 - Q3)	£639.84			
	<b>Projected outturn</b>	<b>£1,279.68</b>			
<b>Income</b>	<b>Funding secured</b>	<b>£0.00</b>	<b>£0.00</b>		
<b>Financial projection</b>	<b>Shortfall</b>	<b>£1,279.68</b>	<b>£1,279.68</b>		
	<b>Unfunded shortfall*</b>	<b>£0.00*</b>	<b>£0.00*</b>		
	<b>Surplus</b>				
<i>Costs associated with officer time</i>	<i>Total estimated</i>	<i>£2,332.80</i>	<i>£2,332.80</i>		
	<i>Spend to date (Q1 - Q3)</i>	<i>£1,555.20</i>			
	<i>Projected</i>	<i>£2,332.80</i>			

\*Paid from the Authority's annual revenue budget.

### Tagging Project

Officers secured £15,000 funding for the *Tagging Project* from the World Wide Fund for Nature for the 2024 period. It was anticipated that this funding would be allocated to equipment costs, largely the tags them self, and participant fees. However, it has recently been agreed by the funders that the funding can be allocated to cover costs associated with officer time to ensure it is spent by of the funding period (31<sup>st</sup> December 2024).

Projected costs amount to £7,207.87 leaving £7,792.13 unspent which can be allocated to officer time (Table 3). It is projected that associated staff costs will total £8,467.67 by the end of the funding period (31<sup>st</sup> December 2024). As these costs are already covered by the Authority's budget, the surplus, allocated to staff costs, is projected to provide £7,792.13 of income generation which could be allocated to project related costs that occur beyond the funding period.

**Table 3:** Summary of the financial projection for the Tagging project.

Tagging Project		2024	2025/ 2026	2026/ 2027	2027/ 2028
<b>Actual costs</b>	Total estimated	£15,000.00			
	Spend to date (Q1 - Q3)	£7,207.87			
	<b>Projected outturn</b>	<b>£7,207.87</b>			
<b>Income</b>	<b>Funding secured</b>	<b>£15,000.00</b>			
<b>Financial projection</b>	<b>Shortfall</b>				
	<b>Surplus</b>	<b>£7,792.13</b>			
<i>Costs associated with officer time</i>	<i>Total estimated</i>	<i>£8,045.57</i>			
	<i>Spend to date (Q1 - Q3)</i>	<i>£8,467.67</i>			
	<i>Projected</i>	<i>£8,467.67</i>			

### Natural Disturbance Study

The Natural Disturbance Study is a multi-year project which began in the 2023/2024 financial year, initially receiving funding from Natural England and Blue Marine Foundation for that year (Table 1). Due to challenges with weather and contractor availability, some of the surveys planned for Autumn 2023 were delayed until May 2024, resulting in a surplus to be used to cover the cost of these surveys when completed beyond the financial year (Table 5).

For this financial year, funding has been secured from Natural England and Fisheries and Seafood Scheme (FASS), totalling £95,457.16. Whilst the Natural England funding agreement is flexible when it comes to how the funding is allocated and broken down across project costs, the FASS funding is much more restrictive. A breakdown detailing how the FASS funding can be allocated across different project components is provided in Table 4. It should also be noted that there is a requirement for the Authority to contribute 25% of project costs for the FASS funding, however, it has been confirmed that NE's contribution can cover these match funding requirements.

Table 4 details a breakdown of the estimated costs, spend to date and projected spend and provides an estimate of how much of the projected costs can be allocated to the FASS funding. The flexibility of the NE funding means that any costs that cannot be covered by the FASS funding can be allocated against the NE funding, as such no shortfall is predicted for the current financial year. Whilst it is not anticipated that all the FASS funding will be spent, based on current spend and projections, the

FASS funding can only be claimed if actually spent, consequently no surplus is anticipated, when considering actual costs (Table 5). However, whilst the total amount of funding confirmed appears to be significantly greater than the estimated actual costs presented in Table 4 and 5, a significant proportion of the FASS funding is associated with officer time and vessel costs. As most of these costs are already covered by the Authority's revenue budget, this creates what might be referred to as a surplus which could be considered in the Authority's budget management processes in order to support unfunded or future project related costs. It is projected that a 'surplus' of £37,314.03 will be generated from covering these costs.

On considering estimated costs and projections, it is important to note that contingency has been built in when estimating costs, particularly around survey components due to the particularly challenging environment in which the project is taking place in an attempt to reduce the level of risk and ensure project success. Spend so far is under that projected as it had not been necessary to use all contingency days predicted. Further, FASS funding can only be allocated to costs which occurred after the 13 August 2024 when the project application was formally accepted by FASS and which were included in the original application. Consequently, there are a number of costs which cannot be allocated to FASS funding.

Estimated costs for the next three financial years are presented in Table 5. No funding has yet been secured for these years, but the Authority has submitted an application to the Hornsea Three Community Fund to cover costs for the 2025/2026 financial year (Table 1).

**Table 4:** Breakdown of estimated costs, spend to date, projected spend and the portion which can be allocated to FASS funding for 2024-25

Natural Disturbance Study		Estimated costs	Estimated FASS Funded	Total Spend (Q1-Q3)	FASS Funded (Q1-Q3)	Total Projected spend	FASS Funded
<b>Actual Costs</b>	Contractor time	£14,075.00	£3,300.00	£4,602.50	£2,375.00	£13,977.50	£3,300.00
	Equipment	£26,553.50	£19,215.30	£2,775.50	£1,319.50	£15,177.10	£11,401.50
	Licence application	£50.00	£0.00	£50.00	£0.00	£50.00	£0.00
	Materials	£0.00	£0.00	£404.24	£0.00	£1,875.85	£0.00
	Travel & Subsistence	£5,070.30	£1,380.60	£2,028.63	£1,716.68	£4,036.53	£1,380.60
	Venue & catering	£525.00	£330.00	£0.00	£0.00	£525.00	£330.00
	<b>Total</b>	<b>£46,273.80</b>	<b>£41,627.40</b>	<b>£9,860.87</b>	<b>£5,411.18</b>	<b>£35,641.98</b>	<b>£16,412.10</b>
<i>Costs associated with officer and vessel time</i>	<i>Staff time</i>	<i>£70,531.93</i>	<i>£49,776.49</i>	<i>£33,123.64</i>	<i>£15,441.36</i>	<i>£60,393.28</i>	<i>£33,554.07</i>
	<i>Vessel costs</i>	<i>£18,620.00</i>	<i>£4,053.27</i>	<i>£6,817.68</i>	<i>£2,306.64</i>	<i>£9,471.00</i>	<i>£3,759.96</i>
	<i>Total</i>	<i>£89,151.93</i>	<i>£53,829.76</i>	<i>£39,941.32</i>	<i>£17,748.00</i>	<i>£69,864.28</i>	<i>£37,314.03</i>

**Table 5:** Summary of the financial projection for the Natural Disturbance Study.

<b>Natural Disturbance Study</b>		<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>	<b>2026/2027</b>	<b>2027/2028</b>
<b>Actual costs</b>	Total estimated	£50,000.00	£46,273.80	£47,788.83	£47,788.83	£47,788.83
	Spend to date (Q1 - Q3)	NA	£9,860.87			
	<b>Projected outturn</b>	<b>£25,031.15</b>	<b>£35,641.98</b> FASS £16,412.10 NE £19,229.88			
<b>Income</b>	<b>Funding secured</b>	<b>£50,000</b>	<b>£95,457.16</b> FASS £70,457.16 NE £25,000.00	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>
<b>Financial projection</b>	<b>Shortfall</b>			<b>£47,788.83</b>	<b>£47,788.83</b>	<b>£47,788.83</b>
	<b>Surplus</b>	<b>£19,968.85</b>	<b>£43,084.15</b> *FASS £37,314.03 NE £5,770.12			
<i>Costs associated with officer and vessel time</i>	<i>Total estimated</i>	NA	£89,151.93	£109,310.46	£109,310.46	£109,310.46
	<i>Spend to date (Q1 - Q3)</i>	NA	£39,941.32			
	<i>Projected</i>	NA	£69,864.28			

\* FASS funding is only received if a claim is made so any 'surplus' generated is against staff and vessel costs and does not include unspent funding.

## Adaptive Gear Trials

The Adaptive Gear Trials are proposed to commence during the 2025/2026 financial year so have not been included in the financial projections for the current, or subsequent, financial years. Estimated costs equate to £40,260.00 actual costs (Table 6), the majority of which are contractor costs required to complete data processing and analysis components of the trials. A detailed breakdown of costs is provided in Table 6.

**Table 6:** Summary of the financial projection for the Adaptive Gear Trials.

<b>Adaptive Gear Trials</b>		<b>2024/ 2025</b>	<b>2025/ 2026</b>	<b>2026/ 2027</b>	<b>2027/ 2028</b>
<b>Actual costs</b>	<b>Total Estimated</b>		<b>£40,260.00</b>		
	Contractor time		£30,000.00		
	Equipment		£9,000.00		
	Travel & Subsistence		£1,260.00		
	Spend to date (Q1 - Q3)				
	Projected outturn				
<b>Income</b>	<b>Funding secured</b>		<b>£0.00</b>		
Financial projection	Shortfall		<b>£40,260.00</b>		
	Surplus				
<i>Costs associated with officer and vessel time</i>	<i>Total estimated</i>		£33,022.80		
	<i>Officer time</i>		£14,972.80		
	<i>Vessel time</i>		£18,050.00		
	<i>Spend to date (Q1 - Q3)</i>				
	<i>Projected</i>				

The North Sea Wildlife Trusts have applied for funding to cover contractor and equipment costs; however, the funding is limited in that it can only cover equipment costs up to 10% of the total project cost. Consequently, if this funding is secured it is estimated that £7,260.00 of equipment costs will remain to the Authority. As funding has not been confirmed, it is not included in Table 6, reflecting a shortfall of £40,260.00 if this were the case. Costs associated with officer and vessel time are presented in Table 6, however, as these costs are already covered by the Authority budget, they are not considered material costs that require additional funding.

## Summary

Table 6 presents a summary of the financial projections for each project for this and the next three financial years and details the surplus/shortfall from the previous financial year.

**Table 6:** Summary of financial projections for ARM projects. 'Surplus' highlighted in green and shortfalls in red.

Project	2023/ 2024	2024/ 2025	2025/ 2026	2026/ 2027	2027/ 2028
Fishing Activity Mapping	£0	£0	£0		
Tagging Project		£7,792*			
Natural Disturbance Study	£19,968	£43,084 (FASS £37,314* NE £5,770)	£47,788	£47,788	£47,788
Adaptive Gear Trials			£40,260		

\*'Surplus' generated by claiming against officer and vessel associated costs.