



**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
4th November 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 November 2025

Time: 10.30 hours

Venue: 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 August 2025 (pg3)
- 5 Matters Arising - *Clerk*
- 6 Quarter 2 Payments and Receipts – *CEO / Joanne Sams (pg9)*
- 7 Quarter 2 Management Accounts – *CEO / Joanne Sams (pg12)*
- 8 Provisional budget 2026-27 and Budget Forecast to 2030 – *CEO / Joanne Sams (pg15)*
- 9 Appointment of Auditors – *CEO (pg29)*
- 10 Amendment to Financial Regulations – *CEO (pg30)*
- 11 *To resolve that, under section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for:*

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; and

Item 12 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.

Information Items

- 12 Vehicle procurement – *CEO (pg34)*
- 13 HR Update – *ACO(DD) (pg36)*
- 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: 27 October 2025

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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 5th August 2025 at 1030 hours.

Members Present:

Cllr T FitzPatrick	Chair	Norfolk County Council
Cllr E Back	Vice Chair	Suffolk County Council
Cllr T Adams		Norfolk County Council
Cllr M Chenery of Horsbrugh		Norfolk County Council
Cllr K Robinson		Suffolk County Council
Ms I Smith		MMO Appointee
Cllr G Taylor		Lincolnshire County Council

Eastern IFCA Officers Present:

J Butler	Assistant Chief Officer (DD)
L Godwin	Assistant Chief Officer
J Gregory	CEO

FHR25/13 Welcome

The Chair welcomed members to the meeting, with introductions made to ensure new members were aware of the roles of Officers.

FHR25/14 Apologies for absence

Apologies for absence were received from Mr S Williamson.

FHR25/15 Declarations of Members Interest

No Declarations of Interest were received.

FHR25/16 Minutes of the Finance and Personnel Sub-committee meeting held on 6th May 2025

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

Proposed: Cllr Chenery of Horsbrugh

Seconded: Ms Smith

All Agreed

FHR25/17 Matters Arising

CROMER SHOAL MCZ: At the previous meeting the lack of funding to support this workstream had been highlighted. The CEO updated members that the FASS funding stream applied for previously had been re-opened for this financial year and an application had been made, and a response was awaited. It was noted that should funding not be found for this financial year members were aware that a request may be made to utilise funds from the reserves.

FPV THUNDERSTRUCK ENGINES: Rectification of issues with the engines was ongoing and it was anticipated that a way forward would be agreed with the suppliers within the next two weeks. The Authority's legal advisors were advising officers to ensure that the Authority's position is protected.

FHR25/18 Quarter 1 Payments and Receipts

The report provided a breakdown of actual income and expenditure during the first quarter, all of which the CEO advised was in line with expectations.

Members Agreed to Note the report.

FHR25/19 Quarter 2: Management Accounts

The CEO asked if showing variances for income was potentially confusing, when in reality the majority of the income was received from levies in the early part of the year. The Chair felt it best to remain in its current format but for members to understand the variances.

The only budget heading which appeared a little high was *FPV Thunderstruck*, but this was partly attributable to the costs incurred with the engine issues.

Cllr Adams questioned if some of the Levies had been paid early, this was not the case as two levies had needed to be chased up.

Members Agreed to note the Management Accounts

FHR25/20 Internal Audit Report

Members were reminded that whilst there was no obligation to continue having both an internal and external audit the Authority had chosen to continue with both. Previously the External Audit had been carried out by PKF Littlejohn, as they no longer provide the service it would now be carried out by an independent department at Aston Shaw Accountants.

The Internal Audit had been completed by Norfolk Audit Service, whilst the finding resulted in a standard adequate to meet the needs of the

Authority, the process had identified three negative findings, albeit they were not regarded as serious matters. Members noted one of the issues was, in part at least, due to an oversight in rewording the Financial Regulations, another related to two outstanding payments and the third was effectively a duplication of another finding.

Ms Sams advised the Annual Return Form did not always line up with accounting practices used by EIFCA, for example there was reference to fixed assets on the balance sheet but as EIFCA did not depreciate assets they did not appear on the balance sheet.

Cllr Adams acknowledged this was essentially a voluntary exercise, and the Auditors were picking up minor things. He suggested it was good practice to continue the process but as assets were discussed at most meetings, he didn't see the need to produce a more detailed asset register for the Auditors.

The CEO explained the issue had previously related to the sale of vehicles in line with the asset register and not depreciating the vehicles each year, consequently they appeared to have a value over £10,000. To address this issue a process was in place to ensure a standard retail value was achieved.

Overall the Audit had found only minor issues, which indicated they were looking thoroughly at the accounting processes.

Cllr Taylor enquired what process was used to decide on when to sell or replace a vehicle. ACO Butler advised vehicles are generally kept for 7 years, generally bought via a national framework, unless more favourable prices could be found at local retailers.

EXTERNAL AUDIT: The Annual Return had been completed, checked and signed by Norfolk Audit, but it had become apparent the lay out of the table was not in line with the End of Year Accounts produced by the Authority. Ms Sams suggested the form be re-designed to reflect the layout of the Annual Accounts. As the External Auditor was changing it was felt this was the time to change the layout of the report. Obviously, a new report would have to go back to the Internal Auditors for them to review the changes.

In view of the proposal an alternative recommendation was put forward. **It was proposed that the Annual Return for the Financial Year should be revised to align with the Authority's accounting methodology.**

Proposed: Cllr FitzPatrick

Seconded: Cllr Robinson

All Agreed

This proposal therefore became the recommendation.

It was Resolved the Annual Return for the Financial Year be revised to align with the Authority's accounting methodology.

Proposed: Cllr FitzPatrick

Seconded: Cllr Robinson

All Agreed.

FHR25/21 Budget & Levies 2026-27

The CEO reminded members that recent budget projections had projected a shortfall in income against estimated expenditure. Members were provided with a presentation, which included four available options to address this shortfall.

Each of the options was considered. Among the options, consideration was given to the current sources of income, possible decline in Defra workstream funding, possible additional income from permit fees or sampling charges. It was noted that the Authority had previously committed to a maximum 50% cost recovery from Wash shellfish permit fees so any increase would be limited.

The Authority was currently running with two gapped posts, whilst it was felt possible to continue one officer down in the Marine Science team it was felt it would be more difficult to continue one officer down in the Marine Protection Team as they also act as crew for the vessels.

The CEO was confident annual discussions with the three County Council Treasurers had demonstrated that the Authority were financially prudent. However, he was aware that asking for a potential 23% increase, whilst only being relatively small in terms of the sums being requested, sounded like a lot.

Option 2, which was a staged increase in levies and monitoring of the fiscal situation, was the recommended option. This would mean that the increase in levies would be circa 12% with the potential for a similar increase in subsequent years if the Defra funding is not continued. Deleting or continuing to gap one or both of the two vacant posts would be a consideration as would seeking some improvement in income generation, and the potential funding shortfall would be underwritten by the Authority's reserves, which would potentially be mitigated by the asset replacement element of the levies, which is predicted to total £184,483 in 2026-27.

Members spent time considering the options, as well as noting the financial difficulties being felt by County Councils in the forthcoming financial year. Whilst Cllr Adams felt option 2 had merit, he was concerned EIFCA could be storing up problems for the future, but if the indication was that Treasurers were not against an increase, he felt it was a good option. The CEO advised that the Treasurers still wanted to see the Authority were being prudent and could show changes to reduce expenditure. Cllr Adams suggested the Authority demonstrate the risk

to fisheries if not appropriately funded. Cllr Robinson expressed an air of caution knowing the County Councils had very tight budgets. It was noted that should Defra workstream funding not be forthcoming after the current financial year it may be necessary to take an alternative option.

Members Resolved to:

- **Note the content of the report**
- **Agree that the principles of option 2 be applied in preparing the budget and levies for 26/27 for consideration at the November 2025 meeting of the sub-committee.**

Proposed: Cllr Back

Seconded: Cllr Chenery

All Agreed

FHR25/22` Resolution

Members Resolved 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 involved the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act.

Proposed: Chair

Seconded: Cllr Robinson

All Agreed

HR25/23 HR Update

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

- There had been no staff changes during the previous quarter. There remained two gapped posts, as a consequence it had been identified there was a backload of work to be signed off, as a result a temporary 'acting up' post had been given to one of the current Grade 5 MSO to help clear the backlog.
- Sickness levels remained low, with only a total of 5 days sickness being recorded in the quarter. These 5 days related to two officers.
- The 2025/26 pay review had been resolved. A final 3.2% increase from 1st April 2025 had been agreed along with agreement that scp2 would be deleted from 1st April 2026. The increase and any backpay would be included in Officers pay from August.
- The Health & Safety Wellbeing Assessment was analysed. Some minor issues were highlighted. One being a request for a female forum, which had been implemented, led by the Senior MSO with support from the external HR Support.

- One Disciplinary Hearing had taken place, the outcome had been a written warning and some other recommendations, including training. The process had been supported by outsourced HR.

Members Agreed to note the content of the Report.

FHR25/24 Any Other Business

There were no other matters for discussion.

The meeting closed at 1142 hours, the Chair thanked members for attending.

Vision

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Action Item 6

Finance and HR sub-committee meeting.

11 November 2025

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

Payments made and monies received during the period 1 July to 30 September 2025 (Quarter 2)

Purpose of report

To provide first quarter payment and receipts for members to note.

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.

Report

The report on Payments made and monies received during quarter 2 of the financial year 2025-26 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.

Background documents

There are no background documents to this paper.

Detailed Breakdown of Payments made during the period 1st July to 30th Sept 2025				
	Month 4	Month 5	Month 6	Total
	£	£	£	£
Transfers to EIFCA Salaries Account	£104,000.00	£120,000.00	£106,000.00	£330,000.00
Rent	£0.00	£0.00	£10,322.91	£10,322.91
Rates	£1,248.00	£1,248.00	£1,248.00	£3,744.00
Electricity	£267.01	£609.77	£732.07	£1,608.85
Water	£319.00	£67.89	£73.10	£459.99
Service Charges - Office	£0.00	£0.00	£0.00	£0.00
Maintenance & Redecoration - office/Unit A	£849.84	£219.08	£244.67	£1,313.59
Insurance Office/Unit A	£125.00	£0.00	£0.00	£125.00
Subscriptions	£1,917.52	£699.24	£653.69	£3,270.45
Legal & Professional Fees	£2,024.00	£4,186.30	£6,284.50	£12,494.80
Telephones	£951.36	£900.07	£950.93	£2,802.36
Postage & Stationery	£806.69	£516.00	£462.97	£1,785.66
IT Support	£1,607.98	£2,666.00	£1,601.44	£5,875.42
Uniforms & Protective Clothing	£1,337.07	£705.65	£66.58	£2,109.30
Medical Costs	£115.00	£110.00	£0.00	£225.00
Sundry costs (inc meeting costs)	£1,422.93	£52.58	£35.18	£1,510.69
Officers Travel & Subsistence	£2.96	£310.81	£487.27	£795.12
Members Expenses	£0.00	£0.00	£0.00	£0.00
Training	£475.00	£0.00	£0.00	£475.00
Marine Science	£2,249.63	£612.94	£2,397.14	£5,259.71
Marine Protection	£0.00	£0.00	£0.00	£0.00
Wash Fisheries / Lays	£0.00	£1.00	£2.00	£3.00
Moorings & Harbour Dues	£240.33	£0.00	£0.00	£240.33
Three Counties	£0.00	£0.00	£0.00	£0.00
Thunderstruck	£548.50	£177.50	£177.50	£903.50
Protector IV	£9,314.85	£176.25	£84.56	£9,575.66
RIBs - ST/SeaSpray/SeaRunner	£1,394.14	£1,349.30	£2,841.62	£5,585.06
Vessel Fuel	£942.49	£3,553.33	£1,053.20	£5,549.02
Vessel Insurance	£0.00	£0.00	£0.00	£0.00
Vehicle Operating Costs	£2,472.83	£2,936.82	£1,577.22	£6,986.87
Grant Funded Project	£0.00	£0.00	£0.00	£0.00
Operational Fund Reserves				£0.00
Asset Purchases	£1,253.85	£0.00	£2.00	£1,255.85
VAT Recoverable	£6,404.21	£3,177.89	£6,134.47	£15,716.57
TOTAL PAYMENTS MADE	£142,284.27	£144,276.42	£143,433.02	£429,993.71
Monies received during the period 1st July to 30th September 2025				
	Month 1	Month 2	Month 3	Total
	£	£	£	£
Levies	£344,220.00	£388,291.00	£0.00	£732,511.00
Defra Funding (base)	£114,420.00	£127,726.00	£0.00	£242,146.00
Asset replacement	£51,763.00	£58,389.00	£0.00	£110,152.00
Defra Workstream Funding			£50,000.00	£50,000.00
WCMB Permit	£5,824.33	£2,716.56	£339.57	£8,880.46
Grants	£0.00	£0.00	£0.00	£0.00
Whelk Permits	£0.00	£0.00	£250.00	£250.00
Shrimp Permit	£1,400.00	£100.00	£200.00	£1,700.00
VAT	£0.00	£0.00	£0.00	£0.00
EHO Sampling	£0.00	£0.00	£0.00	£0.00
Grants for work in Cromer MCZ	£0.00	£0.00	£0.00	£0.00
Bank bonuses/Interest	£0.00	£0.00	£7,318.31	£7,318.31
Asset Sales	£0.00	£9,056.83	£0.00	£9,056.83
Miscellaneous	£0.00	£0.00	£0.00	£0.00
	10			
TOTAL PAYMENTS RECEIVED	£517,627.33	£586,279.39	£58,107.88	£1,162,014.60

Summary of Payments made during the period 1st April to 30th September 2025				
	Month 4	Month 5	Month 6	Total
	£	£	£	£
Transfers to EIFCA Salaries Account	£104,000.00	£120,000.00	£106,000.00	£330,000.00
General Accommodation				
Accommodation	£1,834.01	£1,925.66	£12,376.08	£16,135.75
Insurance	£125.00	£0.00	£0.00	£125.00
General Establishment	£11,032.39	£10,054.92	£10,299.96	£31,387.27
Members Expenses	£0.00	£0.00	£0.00	£0.00
Officers Expenses	-£2.96	£310.81	£487.27	£795.12
Training	£475.00	£0.00	£0.00	£475.00
Media and Adverts	£0.00	£0.00	£0.00	£0.00
Total General Expenditure	£13,463.44	£12,291.39	£23,163.31	£48,918.14
Operational Costs				
Marine Protection	£0.00	£0.00	£0.00	£0.00
Marine Science	£2,249.63	£612.94	£2,397.14	£5,259.71
Lays	£0.00	£0.00	£0.00	£0.00
Total operational costs	£2,249.63	£612.94	£2,397.14	£5,259.71
Vessels				£0.00
Three Counties	£0.00	£0.00	£0.00	£0.00
Protector IV- Running Costs	£9,314.85	£176.25	£84.56	£9,575.66
thunderstruck - running costs	£548.50	£177.50	£177.50	£903.50
Sea Spray Exensiture	£623.88	£133.76	-£453.24	£304.40
C-Runner - running costs	£600.01	£0.00	£0.00	£600.01
Sebastian Terrelinck - running costs	£170.25	£1,215.54	£3,294.86	£4,680.65
sub total	£11,257.49	£1,703.05	£3,103.68	£16,064.22
Fuel - all vessels	£942.49	£3,553.33	£1,053.20	£5,549.02
Moorings & Harbour dues	£240.33	£0.00	£0.00	£240.33
Insurance	£0.00	£0.00	£0.00	£0.00
Total Vessels	£12,440.31	£5,256.38	£4,156.88	£21,853.57
Grant Funded Project	£0.00	£0.00	£0.00	£0.00
Vehicles	£2,472.83	£2,936.82	£1,577.22	£6,986.87
Asset Purchases	£1,253.85	£0.00	£2.00	£1,255.85
Operational Fund Reserve	£0.00	£1.00	£2.00	£3.00
VAT Recoverable	£6,404.21	£3,177.89	£6,134.47	£15,716.57
Total Payments Made	£142,284.27	£144,276.42	£143,433.02	£429,993.71
Monies received during the period 1st July to 30th September 2025				
	Month 4	Month 5	Month 6	Total
	£	£	£	£
Levies	£344,220.00	£388,291.00		£732,511.00
Defra Funding (Base)	£114,420.00	£127,726.00		£242,146.00
Asset Rep;acement	£51,763.00	£58,389.00		£110,152.00
Defra Worksteam Funding			£50,000.00	£50,000.00
Whelk Permits	£0.00	£0.00	£250.00	£250.00
Shrimp Permits	£1,400.00	£100.00	£200.00	£1,700.00
WCMB Permits	£5,824.33	£2,716.56	£339.57	£8,880.46
EHO Income	£0.00	£0.00	£0.00	£0.00
Bank Bonus & Interest	£0.00	£0.00	£7,318.31	£7,318.31
Grants	£0.00	£0.00	£0.00	£0.00
Grants for work in Cromer MCZ	£0.00	£0.00	£0.00	£0.00
Miscellaneous	£0.00	£0.00	£0.00	£0.00
Motor Vehicle sales	£0.00	£9,056.83	£0.00	£9,056.83
VAT	£0.00	£0.00	£0.00	£0.00
11				
TOTAL Payments Received	£517,627.33	£586,279.39	£58,107.88	£1,162,014.60

Vision

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Action Item 7

Finance and HR sub-committee meeting.

11 November 2025

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

Report on the Management Accounts during the period 1 July to 30 September 2025 (Quarter 2)

Purpose of report

To provide first 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.

Report

The report on the management accounts up to the end of quarter 1 of the financial year 2025-26 are shown in the following tables.

Background documents

There are no background documents to this paper.

Management Accounts							
For the 6 months ended 30 September 2025							
	Year to date				Budget	Budget 25/26	
Account	Apr-Jun 2025	Jul-Sept 2025	TOTAL year to date	Variance	year to date	For year	
Salaries & Wages							
Wages	£ 230,193.24	£ 244,302.79	£ 474,496.03	£ 40,024.06	£ 514,520.09	£ 1,029,040	
Employers Pension	£ 50,853.87	£ 53,864.68	£ 104,718.55	£ 11,219.49	£ 115,938.04	£ 231,876	
Employers NIC	£ 30,189.84	£ 32,346.64	£ 62,536.48	£ 5,222.02	£ 67,758.50	£ 135,517	
	£ 311,236.95	£ 330,514.11	£ 641,751.06	£ 56,465.57	£ 698,216.63	£ 1,396,433	
General Expenditure							
Accommodation	£ 12,415.59	£ 16,997.88	£ 29,413.47	£ 11,473.53	£ 40,887.00	£ 81,774	
Insurance	£ 4,769.61	£ 4,467.26	£ 9,236.87	£ 943.63	£ 10,180.50	£ 20,361	
General Establishment	£ 32,574.65	£ 35,513.25	£ 68,087.90	£ 15,243.60	£ 83,331.50	£ 166,663	
Members Expenses	£ 12.60	£ -	£ 12.60	£ 737.40	£ 750.00	£ 1,500	
Officers' Expenses	£ 3,138.19	£ 1,205.08	£ 4,343.27	£ 4,984.67	£ 9,327.94	£ 18,656	
Training	£ -	£ 475.00	£ 475.00	£ 9,525.00	£ 10,000.00	£ 20,000	
Total General Expenditure	£ 52,910.64	£ 58,658.47	£ 111,569.11	£ 42,907.83	£ 154,476.94	£ 308,954	
Operational Costs							
Media & Adverts	£ -	£ -	£ -	£ 800.00	£ 800.00	£ 1,600	
Enforcement	£ 4,548.74	£ 3,643.81	£ 8,192.55	£ (3,192.55)	£ 5,000.00	£ 10,000	
Marine Science	£ 525.69	£ 1,234.68	£ 1,760.37	£ 3,243.13	£ 5,003.50	£ 10,007	
Wash Fisheries / Lays	£ -	£ -	£ -	£ 125.00	£ 125.00	£ 250	
Total Operational Costs	£ 5,074.43	£ 4,878.49	£ 9,952.92	£ 975.58	£ 10,928.50	£ 21,857	
Grant Funded Projects							
Grant Funded Project	£ -	£ -	£ -	£ -	£ -	£ -	
Vessels							
Three Counties	£ 32.17	£ -	£ 32.17	£ (32.17)	£ -	£ -	
Protector 4	£ 9,057.95	£ 7,411.37	£ 16,469.32	£ (4,259.32)	£ 12,210.00	£ 24,420	
Thunderstruck	£ 1,779.27	£ 357.00	£ 2,136.27	£ 1,726.23	£ 3,862.50	£ 7,725	
Sea Spray	£ 2,438.00	£ 221.26	£ 2,659.26	£ (599.26)	£ 2,060.00	£ 4,120	
C-runner	£ 172.39	£ 600.01	£ 772.40	£ (22.40)	£ 750.00	£ 1,500	
Sebastian Terrelink	£ 3,519.35	£ 4,510.40	£ 8,029.75	£ (1,849.75)	£ 6,180.00	£ 12,360	
sub-total	£ 16,999.13	£ 13,100.04	£ 30,099.17	£ (5,036.67)	£ 25,062.50	£ 50,125	
Moorings/Harbour dues	£ 3,592.79	£ -	£ 3,592.79	£ 1,157.21	£ 4,750.00	£ 9,500	
Vessels Fuel	£ 8,337.22	£ 6,092.65	£ 14,429.87	£ 9,775.13	£ 24,205.00	£ 48,410	
Vessel insurance	£ 8,202.80	£ 9,118.57	£ 17,321.37	£ 8,428.63	£ 25,750.00	£ 51,500	
Total Vessels	£ 37,131.94	£ 28,311.26	£ 65,443.20	£ 14,324.30	£ 79,767.50	£ 159,535	
Vehicles							
Vehicle Operating Costs	£ 6,976.58	£ 8,774.55	£ 15,751.13	£ 6,207.97	£ 21,959.10	£ 43,918	
TOTAL EXPENDITURE	£ 413,330.54	£ 431,136.88	£ 844,467.42	£ 120,881.25	£ 965,348.67	£ 1,930,697	

INCOME						
Levies	£ 458,561.00	£ 732,511.00	£ 1,191,072.00	£ 1.00		£ 1,191,071.00
Defra Funding (base)	£ 151,999.00	£ 242,146.00	£ 394,145.00	£ -		£ 394,145.00
Defra Workstream Funding	£ -	£ 50,000.00	£ 50,000.00	£ (20,000.00)	£ 70,000.00	£ 140,000.00
Total Income	£ 610,560.00	£ 1,024,657.00	£ 1,635,217.00	£ (19,999.00)	£ 70,000.00	£ 1,725,216.00
Other income						
Whelk Permits	£ 50.00	£ 250.00				£ 2,150.00
Shrimp Permit	£ 100.00	£ 2,400.00				£ 2,400.00
Wash Cockle Mussel Byelaw	£ 10,721.67	£ 8,880.46				£ 69,000.00
EHO Income	£ -	£ -				£ 9,472.00
Lays	£ (115.11)	£ -				£ -
Bank Bonus & Interest	£ 6,772.26	£ 7,318.31				£ 9,484.00
Grants	£ 3,000.00	£ -				£ 20,000.00
Grants for work in Cromer MCZ	£ (166.35)	£ -				£ -
Cromer MCZ NDStudy	£ (3,574.10)	£ (192.67)				£ -
Miscellaneous	£ 5,203.00	£ -				
Total Other income	£ 21,991.37	£ 18,656.10	£ 40,647.47	£ 6,135.13	£ 28,126.50	£ 112,506.00
TOTAL INCOME	£ 632,551.37	£ 1,043,313.10	£ 1,675,864.47	£ 757,003.47	£ 918,861.00	£ 1,837,722.00
Asset Purchases						
Protector IV	£ -	£ -	£ -			
Thunderstruck - Potting Vessel	£ 2,432.54	£ -	£ 2,432.54			
C-Fury - PIV daughter vessel	£ -	£ -	£ -			
Vehicle Purchases	£ 20,569.50	£ -	£ 20,569.50			
TOTAL Asset Purchases	£ 23,002.04	£ -	£ 23,002.04			
Asset Replacement Income	£ 68,956.00	£ 110,153.00	£ 179,109.00	£ -		£ 179,109.00

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.



Action Item 8

Finance & HR Sub-Committee

4 November 2025

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

Provisional Budget for the period 1 April 2026 to 31 March 2027 and Forecast to March 2031

Purpose of report

To present the draft Budget for the 2026/27 financial year together with the Forecast for the following 4 years to 2031. The estimates detailed below are for agreement and recommendation to the full Authority at their next meeting on 10 December 2025.

Recommendations

Members are asked 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 2026/27 to the full Authority at their next meeting on 10 December 2025.
- **Approve and recommend** the Levies for 2026/27 to the full Authority at their next meeting on 10 December 2025.
- **Approve** the Forecast for the following 4 years to 2030/31 for presentation to the full Authority at their next meeting on 10 December 2025.

Background

It is a requirement of the Authority's Constitution and Standing Orders (Financial Regulations) that detailed estimates of income and expenditure on revenue services, and receipts and payments on capital account, shall be prepared as directed each year by the Responsible Finance Officer (RFO). Proposals in respect of revenue services and capital projects in a rolling five-year forecast shall also be prepared as directed each year by the RFO.

It is the responsibility of the Finance and HR Sub-Committee to review the estimates and make a recommendation to the Authority not later than the end of December in each year on the precept to be levied for the ensuing financial year.

The Authority's Financial Regulations also provide the following in relation to capital funds:

3.6 No expenditure shall be incurred in relation to any capital project and no contract entered into or tender accepted involving expenditure on capital account

unless the Finance & HR sub-committee are satisfied that it is contained in the rolling capital programme and that the necessary capital funds are available.

Previously only the revenue budget has been included in the annual budget setting process, and the use of capital funds has tended to be addressed by specific papers to the sub-committee.

Report

This is the third budget that has been prepared by the RFO and officers in conjunction with the Authority's outsourced accountant, whereas previously it would have been prepared by the Head of Finance & HR. In the last two years changes in accounting methods and accounting software presented challenges but work to rationalise budget headings and introduce new accounting software has progressed, and this is reflected in the estimates of expenditure.

Financial projections produced during the annual budget setting process for 2025-26 indicated that next year there will be a shortfall of £248k in income over expenditure. This was predicted to rise to £294k by 2029-30. These figures are based upon a 2% inflationary increase on levies each year alongside a 2% inflationary increase on expenditure each year and assumed that Defra workstream funding of circa £130k per annum would not continue.

At the meeting of the Finance & HR sub-committee held on 5 August 2025 members considered options to address the funding shortfall and agreed that the principles of the following option be applied in preparing the budget and levies for 2026-27:

Option 2 – Staged increase in levies and monitor

Noting the uncertainty with Defra workstream funding this option would see an increase in levies to address 50% of the projected shortfall. This would mean that the increase in levies would be circa 12% with the potential for a similar increase in subsequent years if the Defra funding is not continued.

Development of the draft Estimates of Expenditure for the financial year 2026/2027 was informed by the annual meeting between officers and the Finance Directors (or their nominated representatives) of the three funding authorities held on 30 September 2025. At this meeting officers were advised that one funding authority was allowing for a pay increase of 4% in 2026-27 whereas the other two were budgeting for a 3% increase, albeit one indicated that might increase to 4%.

Officers advised the funding authorities that it was anticipated that a 12% increase in the general levy would be applied alongside the previously agreed annual uplift of 3% on the contribution to asset replacement. The rationale behind 'Option 2' was also shared and whilst observing that the percentage figure was relatively high it was noted that the actual amounts were very modest in the context of county council expenditure. The uncertainty of the future of workstream funding from Defra was discussed and it was agreed that asset replacement would be profiled in advance of next year's meeting so that the level of both the general levy and the contribution to asset replacement could be considered collectively.

Draft estimates of expenditure for this financial year (2025-26) against budget and income are summarised under the main budget headings in Table 1. It should be noted that projections are based in part upon expenditure to date being multiplied up to reflect the year together with careful analysis of each budget heading and officers informed estimates. The same approach has informed estimates for 2026-27 with a 4% inflationary uplift being applied where considered appropriate. These are set out in the final column in Table 1, which shows the draft budget for expenditure under the main budget headings and anticipated income.

More detailed estimated expenditure for both 2025-26 and 2026-27 is shown in Table 2.

A consideration as part of 'Option 2' discussed at the meeting of the Finance & HR sub-committee in August 2025 included the continued gapping of the vacant grade 5 MSO and IFCO posts. Subsequent consideration by officers concluded that the MSO posts can continue to be held vacant but that the IFCO post should probably be filled. This is reflected in the budget for 2026-27 as the MSO post has been deleted and the vacant IFCO post has been included. It is relevant to note that due to recent resignations there are currently three IFCO posts vacant, and recruitment is a priority.

To provide clarity and to enable any capital expenditure to be planned, approved and monitored it is proposed that a set of capital accounts, which will include reserves and anticipated capital expenditure will be presented in future. This has been included in this paper, albeit no significant capital expenditure is envisaged in the forthcoming year.

Revenue Budget Assumptions

An amount described as Defra Base Funding (New Burdens Funding) has been included for 2026-27 and in the projections for subsequent years. Whilst future Government spending reviews might re-consider this funding it has long been argued by the IFCAs, and to date accepted by Defra, that the 'New Burdens' were a permanent addition of responsibility and that the funding should continue permanently.

The Defra funding of circa £150k per annum for specific work streams was for three years and 2024-25 was the final year. A bid for continuation, with some variations, of this funding was submitted to Defra and it is anticipated that circa £130k will be received this year (£50k has been received at the time of writing and the rest is anticipated but not yet formally confirmed).

The Association of IFCAs recently submitted a further bid under the Government's current spending review, which includes a bid to restore the value of New Burdens Funding as it has had no inflationary increases since inception. This would equate to an increase in excess of 70%. The bid also includes proposals to continue the workstream funding relating to Fisheries Management Plans, protecting and enhancing the marine environment and community engagement & permitting, consents and licensing (circa £50k per annum each workstream so £150k in total). Relatively recent indications from Defra on additional funding have been that money is being carefully managed and as such there is no certainty that anything additional will be forthcoming. As such no funding other than 'Base Funding' from Defra it has been included in the budget for 2026-27.

Whilst difficult to predict what local authority cost of living pay awards will be, an uplift of 4% in salary is assumed in the estimates for 2026-27, which aligns with the approach being taken by one or possibly two of the three funding authorities.

Latest reporting from the International Monetary Fund (IMF) indicates that inflation in the UK is expected to average 3.4% in 2025 and to reduce to 2.5% in 2026¹, whilst in August 2025 the Bank of England predicted that inflation would increase to 4% by September before falling back to the target rate of 2%². Given the variation in forecasts and to align with assumed uplift in salaries an inflationary uplift of 4% has, where appropriate, been applied to the estimates of expenditure for 2026-27. To put this into context, 1% of anticipated non-salary related expenditure is circa £5.5k.

Table 1.

Estimated expenditure 2025-26 and draft budget 2026-27

	2025/2026	2025/2026	2026/2027
	Budget	Projection	Draft Budget
EXPENDITURE	£	£	£
Salaries & Wages	1,396,433	1,283,479	1,395,016
General Expenditure	308,953	275,593	329,685
Departmental Op Costs	21,857	23,329	23,800
Vessels	159,535	152,841	166,452
Vehicles	43,918	44,553	42,604
TOTAL	1,930,696	1,779,796	1,957,558
INCOME			
Other income	112,506	112,506	112,506
Levies	1,191,071	1,191,071	1,334,001
Defra core funding	394,145	394,145	394,145
Defra workstream funding	140,000	130,000	0
TOTAL	1,837,722	1,827,722	1,840,652
SURPLUS / (SHORTFALL)	(92,974)	47,927	(116,906)

¹ [United Kingdom and the IMF](#)

² [Monetary Policy Report - August 2025 | Bank of England](#)

Levies

As agreed at the Finance & HR sub-committee meeting on 5 August 2025 and subsequently discussed with the County Councils' finance representatives, it is proposed that general levies are increased by 12% for 2026/27. The proposed general levies on the constituent County Councils for 2026/2027 are as follows:

	Norfolk County Council	Suffolk County Council	Lincolnshire County Council
	38.50%	28.90%	32.60%
	£	£	£
General Levies	513,588	385,526	434,886
Defra Funding (base)	151,999	114,420	127,726
Total	665,587.32	499,946.40	562,611.92
Total levies £1,728,146			

It should be noted that the asset replacement element of levies is not shown as 'in-year' income above or in Table 1 as this will be directly ascribed to earmarked reserves in the capital/reserves account set out later in this paper.

To put the 12% increase in the general levies into context the cost to each county council together with what the levies would be if an inflationary uplift of 4% was applied and what that cost to each county council would have been is shown below:

	Norfolk County Council	Suffolk County Council	Lincolnshire County Council
	£	£	£
Actual increase at 12%	55,027	41,306	46,595
Levy at 4%	476,903	357,989	403,823
Actual increase at 4%	18,342	13,769	15,532

Notes on Expenditure and income

Members may find the notes below helpful in relation to tables 1 and 2. The figures in the 2025-26 projection reflect the anticipated under or (over) spend and the figures under the 2026-27 draft budget reflect the increase or (decrease) in comparison with this year's budget.

Salaries & Wages	
2025-26 Projection £112,954	2026-27 Draft Budget (£1,417)
Likely underspend due to two vacancies being gapped due to projected budget shortfall.	All posts filled and accounted for with an estimated 4% cost of living pay rise. The small decrease on the budget for this year reflects that the grade 5 MSO post will remain vacant and is not included in the budget.

General Expenditure	
2025-26 Projection £33,360	2026-27 Draft Budget £20,732
Slightly lower expenditure than anticipated primarily due to less than budgeted expenditure on budget headings such as electricity, maintenance & re-decoration, subscriptions and legal & professional fees	4% inflationary increase applied to some budget headings with known information or judgement being applied to some. IFCA funded national training post subscription added for this year.

Departmental Operational Costs	
2025-26 Projection (£1,472)	2026-27 Draft Budget £1,943
A modest overspend is predicted due to slightly higher than anticipated costs under Marine Protection.	Slightly higher than inflationary increase to reflect anticipated costs in Media & Adverts.

Vessels	
2025-26 Projection £6,694	2026-27 Draft Budget £6,917
Whilst indicating an underspend it is quite possible that there will be an overspend in this area due to higher than anticipated running costs for <i>FPV Protector IV</i> . Some of these may be associated with a new vessel being made fully operational.	Inflationary increases applied where considered appropriate.

<i>Vehicles</i>	
2025-26 Projection (£635)	2026-27 Draft Budget -£1,314
Virtually on track with only a very small overspend predicted.	Modest reduction in budget to reflect predicted costs.

<i>Income</i>	
2025-26 Projection (£10,000)	2026-27 Draft Budget £2,930
£10k less in one element of Defra workstream funding than originally anticipated .	Whilst the general levy is increased by 12% this is largely offset by not including Defra workstream funding.

Table 2.**Estimates of Expenditure 2025-2026 and Draft Budget 2026-27**

	2025/26 Budget £	2025/26 Projection £	2026/27 Draft Budget £
STAFF COSTS			
Salaries	1,029,040	949,013	1,040,072
Pension	231,876	209,392	228,103
Employers NI	135,517	125,074	126,841
TOTAL STAFF COSTS	1,396,433	1,283,479	1,395,016
GENERAL EXPENDITURE			
<i>Accommodation</i>			
Rent	38,745	39,217	40,226
Rates	17,188	17,071	18,369
Electricity	10,552	6,058	9,660
Water	724	1,378	1,035
Service charges - office	6,065	6,343	6,597
Cleaning	3,000	2,180	3,000
Maintenance & redecoration	5,500	1,011	5,200
Insurance Business / Premises	20,361	20,911	21,748
TOTAL	102,135	94,170	105,834
<i>General Establishment</i>			
Subscriptions	46,092	31,396	42,575
Recruitment	1,000	0	1,000
Legal & Professional fees (inc bank charges)	47,504	37,383	49,740
Telephones	12,000	11,106	11,550
Postage & Stationery	8,700	3,769	4,357
IT Support	36,874	36,709	38,349
Uniforms & Protective Clothing	8,652	9,472	20,798
Medical costs	1,236	1,236	957
Sundry costs (inc meeting costs)	4,605	11,003	15,390
TOTAL	166,663	142,074	184,716
<i>Officers Travel & Subsistence</i>			
General Travel - Fares, Taxis, Mileage	3,307	2,500	2,540
Subsistence Payments	5,430	5,430	5,000
Overnight Subsistence	1,919	1,919	2,595
Hotel – Accommodation & Meals	8,000	8,000	8,000
TOTAL	18,656	17,849	18,135

<i>Members expenses</i>	1,500	1,500	1,000
<i>Training</i>	20,000	20,000	20,000
TOTAL GENERAL EXPENDITURE	308,954	275,593	329,685
OPERATIONAL COSTS			
Media & Adverts	1,600	0	3,000
Marine Science	10,000	10,000	10,400
Marine Protection	10,007	13,329	10,400
Wash Fisheries/ lays	250	0	0
TOTAL OPERATIONAL COSTS	21,857	23,329	23,800
MOORING & HARBOUR DUES			
Rent -Sutton Bridge Moorings	0	0	0
Maintenance	500	0	500
Berthing & Harbour Dues	9,000	8,623	9,000
TOTAL	9,500	8,623	9,500
VESSELS			
Protector IV / Thunderstruck			
Maintenance & Repairs	22,145	31,612	25,808
Refit	10,000	3,009	10,400
Insurance & Certification (all Vessels)	48,410	41,406	50,346
Fuel (all vessels)	51,500	51,500	51,500
TOTAL	132,055	127,528	138,054
RIBS:			
Sebastian Terrelinck/SeaSpray/Sea Runner			
Maintenance & Repairs	17,980	16,691	18,898
VESSELS TOTAL	159,535	152,841	166,452
VEHICLES			
Insurance & Road Fund Tax	13,699	21,644	13,165
Fuel & Sundries	23,000	13,837	19,864
Repairs & Servicing	4,500	5,865	6,240
Vehicle tracking	2,719	3,207	3,335
TOTAL VEHICLES	43,918	44,553	42,604
EXPENDITURE TOTAL	1,930,697	1,779,796	1,957,558

Capital Account and Reserves

Overall reserves are healthy but with unanticipated costs for repair and maintenance of vessels and potential shortfalls in revenue budgets projected in recent years they may reduce over time.

Anticipated income and expenditure in capital accounts and reserves are shown in Table 3 with the initial figures being based upon the 2025 year-end accounts. The Vessel Replacement Fund has been renamed the Vessel Fund to reflect that in reality it covers both vessel replacement and significant costs such as vessel repairs that cannot be covered by revenue budgets. It is relevant to note that informal practice has been to maintain circa £60k in the Vehicle Renewal reserve and to fund such purchases from this reserve as opposed to from the revenue budget.

At year end any surplus in revenue funding has, with the agreement of the Finance & HR sub-committee, been moved to reserves with the default position being to supplement the Vessel Fund but noting the necessity to maintain sufficient monies in the Vessel Renewals fund.

Asset Replacement Levies

Anticipated income to capital accounts/reserves in 2026-27 is set out below.

	Norfolk County Council	Suffolk County Council	Lincolnshire County Council
	38.50%	28.90%	32.60%
	£	£	£
Asset replacement levy	71,025	53,316	60,142
Total levies	£184,483		

Table 3.**Reserves and Capital Account Estimates 2025-2026 and Draft Estimates 2026-27**

	2025/26 Opening Balance	2025/26 Changes	2026-27 Changes
	£	£	£
IT Fund	10,000	0	0
FAP Fund	22,750	0	0
Legal and Enforcement Fund	75,000	0	0
Office Improvement Fund	10,000	0	0
Operational Fund	250,000	(150,000)	0
Science Fund	62,251	0	0
Vehicle Renewals	60,000	10,252	0
Vessel Fund	1,461,093	179,109	67,577
Wash Fishery Order Fund	85,429	0	0
Environmental Grants	18,292	0	0
TOTAL Reserves	2,054,815	2,094,176	2,161,753
<i>National IFCA fund</i>	<i>221,000</i>	<i>n/a</i>	<i>n/a</i>

Notes on estimated changes to reserves

The notes below relate to the earmarked reserve where income and expenditure will result in a net increase or (decrease). No capital expenditure is currently planned for 2026-27 as vessels have all been replaced or refitted relatively recently and similarly vehicle replacements have been undertaken.

Operational Fund
2025-26 change (£150,000)
Reflects payment of £150k to Fenland DC for Sutton Bridge moorings.

Vehicle Renewals
2025-26 change £10,252
Reflects £37,675 being expended on the purchase of a new 4x4 vehicle and the currently projected surplus of £47,927 from the 2025-26 revenue being allocated to top up the vehicle replacement reserve.

<i>Vessel Fund</i>	
2025-26 estimated change £179,109	2026-27 estimated change £67,577
Reflects the addition of the asset replacement element of the levies for the year.	Reflects the addition of asset replacement element of levies for the year minus the estimated shortfall in the revenue budget of £116, 906

It should be noted that in the absence of any increase in New Burdens funding or the provision of workstream funding from Defra the estimated shortfall in income against expenditure in 2026-27 of **£116,906** will be debited to reserves. As an illustration, in the absence of any other changes this would leave total reserves of **£2,161,754** at the end of 2026-27.

In future the capital account and reserves will become a standard item for inclusion in quarterly management accounts and any planned capital expenditure will be shown in these accounts as opposed to the revenue accounts. It is intended that this separation of revenue and capital accounting will provide improved clarity for members, particularly when significant capital programmes such as vessel builds involving multiple stage payments are taking place.

Forecast to March 2031

Because the outcome of the bid by AIFCA to the Government's Spending Review is unknown at the time of writing no funding from Defra aside from 'Base Funding' is included in the forecasts. If no additional funding is forthcoming, then as presented to the August meeting of the Finance & HR sub-committee and acknowledged in the adoption of 'Option 2', it is likely that another above inflation uplift in levies of circa 12% would be required in 2027-28 to address projected shortfalls in funding.

For illustrative purposes, the forecast in Table 4 includes an uplift in the general levies of 12% for 2027-28 followed by 2% increases in subsequent years whilst asset replacement element of the levies assumes the previously agreed 3% uplifts annually for each of the five years in the forecast. Any increase in Defra funding will have a positive impact on the forecast and would be likely to render the above inflation uplift in general levies in 2027-28 unnecessary. Inflationary increases of 2% per annum are shown for all expenditure.

It is likely that 'Other' income will see modest increases as new permit scheme come into effect and annual inflationary increases and a review of fees under the Wash Cockle and Mussel Byelaw 2021 is undertaken. However, as the effect of these are not currently known and because they are unlikely to be significant in budgetary terms they have not been included in the forecast.

Table 4**Revenue Budget Forecast to March 2031**

	2026/27	2027/28	2028/29	2029/30	2030/31
<u>Income</u>	£	£	£	£	£
Levies	1,334,001	1,494,081	1,523,963	1,554,442	1,585,531
Defra Funding	394,145	394,145	394,145	394,145	394,145
Other	112,506	112,000	112,000	112,000	112,000
Total Income	1,840,652	2,000,226	2,030,108	2,060,587	2,091,676
<u>Expenditure</u>					
Staff cost	1,395,016	1,422,916	1,451,375	1,480,402	1,510,010
General Expenditure	329,685	336,279	343,004	349,864	356,862
Operations	23,800	24,276	24,762	25,257	25,762
Vessels	166,452	169,781	173,177	176,640	180,173
Vehicles	42,604	43,456	44,325	45,212	46,116
Total	1,957,557	1,996,708	2,036,642	2,077,375	2,118,923
Surplus/(Shortfall)	(116,905)	3,518	(6,535)	(16,788)	(27,247)

Capital Expenditure Estimates to March 2031

The table below sets out anticipated capital expenditure over the next five years. No vessel replacements or major refits are anticipated during this period but the life extending refit of *FPV Sebastian Terelinck* undertaken early in 2025 means that consideration of a replacement will be due towards the end of the forecast period.

	2026/27	2027/28	2028/29	2029/30	2030/31
Vehicle Renewals	£0	£0	£96,000 4 x vehicles	£24k 1 x vehicle	
Vessel Replacement or Major Refit	£0	£0	£0	£0	£0

Forecast movement in reserves to March 2031

	2026/27	2027/28	2028/29	2029/30	2030/31
	£	£	£	£	£
Opening	2,094,176	2,161,753	2,355,288	2,640,470	2,849,271
Asset rep levy	184,483	190,017	195,718	201,590	207,637
Utilised	0	0	96,000	24,000	0
Revenue budget surplus/(shortfall)	(116,906)	3,517	(6,535)	(16,789)	(27,248)
Balance	2,161,753	2,355,288	2,640,470	2,849,271	3,029,660

Background documents

Papers and minutes of the meeting of the Finance & HR sub-committee held on 5 August 2025

Eastern IFCA Constitution and Standing Orders

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 November 2025

Appointment of Auditors

Report by: Julian Gregory, CEO

Purpose of Report

To seek members approval to engage auditors for the 2025/26 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 Aston Shaw Accountants to audit the Annual Return.

Background

Although it is no longer a statutory requirement for the Authority to engage auditors the Authority has continued with both internal and external audits as the scrutiny provided is beneficial in ensuring probity and is worth the modest cost.

The annual internal audit is ordinarily performed by Norfolk Audit Services and focusses on systems, procedures and controls and highlight areas for improvement. The external audit simply verifies the accuracy of the Annual Return, and this service has previously been provided by PKF Littlejohn LLP.

Due to PFK Littlejohn withdrawing their service in March 2025 the independent review (external audit) for 2024-25 was undertaken by the Authority's accountants, Aston Shaw.

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 verifies the accuracy of the Annual Return, and this service will be provided by Aston Shaw.

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 10

Finance and HR Sub-Committee Meeting

04 November 2025

Amendment to Financial Regulations

Report by: J. Gregory, CEO

Purpose of Report

To propose a revision to the Financial Regulations set out in the Constitution and Standing Orders insofar as they relate to fixed assets.

Recommendations

It is recommended that members:

Note the content of the report and that the decision-making mandate on this matter effectively falls to the Chair and Vice-Chair in the circumstances set out in the paper, as opposed to the full sub-committee.

It is recommended that the Chair and Vice-Chair:

Agree to the proposed amendment to the Financial Regulations.

Background

The report of the annual internal audit reported to the sub-committee at its meeting of 5 August 2025 included the following finding and recommendation:

A review of the Asset Register concluded: -

- The information regarding recording the location, extent, plan, reference, tenancies granted, rents payable and purpose for which held could not be located. This has been raised in previous years audits*

Risks: -

- Accounting records may be incorrect.*
- Non-compliance with the Authority's Financial Regulations.*

Recommendation: -

1. The CEO ensures that all required Asset Register details, as documented in FR 13.1, should be recorded in the Asset Register.

Report

As a consequence of the finding of the Internal Audit a review of policy (Financial Regulations) and process has been undertaken with the intention of addressing the matter.

The review concluded that the relevant section in Financial Regulations should be updated to clarify what is a fixed asset, how it should be valued, how an asset should be recorded, when the asset register should be updated, valuation on disposal and confirming the long-standing practice of not depreciating such assets.

The proposed amendment to the relevant section of the Financial Regulations can be found at Appendix A.

Scheme of Delegations set out in the Constitution and Standing Orders provides that approval of and amendments to that document falls to the full Authority. However, section 26 of the Scheme of Delegations provides the following:

26. 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-Eastern IFCA Constitution 34 Committee, but is not within the CEO's delegated powers, is urgently required by the Eastern IFCA, and cannot be delayed until an the next scheduled meeting of the Authority or relevant Sub-Committee, the CEO (or their nominated deputy in their absence) may take the decision, having first consulted the Chair and the Vice-Chair of the Authority or the relevant SubCommittee. All such decisions must be reported to the next meeting of the Authority or the relevant Sub- Committee.

In order to implement improved policy and process promptly it is considered appropriate for the CEO, in conjunction with the Chair and Vice-Chair of the Authority, to approve the amendment as opposed to waiting for the next full Authority meeting in December.

Whilst ordinarily such decisions would be dealt with directly between the CEO, Chair and Vice-Chair it is considered appropriate to enable members of the sub-committee to comment as the recipients of the Internal Audit Report.

Financial Implications

None identified.

Legal Implications

None identified.

Appendices

Appendix A - Proposed Revisions to the Financial Regulations in the Constitution and Standing Orders.

Background Documents

Eastern IFCA Annual Internal Audit Report 2024/25 by Norfolk Audit Services.
Papers and minutes of the meeting of the Finance & HR sub-committee held on 5 August 2025.

Appendix A

Proposed Revisions to the Financial Regulations in the Constitution and Standing Orders			
Ref	Original Text	Revised Text	Rationale
CHAPTER 5: Financial Regulations Section 13: Assets	13.1 The RFO shall make appropriate arrangement for the custody of all title deeds or assets owned by the Authority. The RFO shall ensure a record is maintained of all assets owned by the Authority, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Regulation No.4(3)(b) of the Account and Audit Regulations 1996. 13.2 No asset exceeding the £10,000 de-minimis level recommended by District Audit shall be sold, leased or otherwise disposed of without the authority of the Finance & HR sub-committee (NB the value of vehicles is the market value at the time of disposal as determined by obtaining at least one quote a relevant and reputable source).	13 Assets <i>13.1.1 The RFO will maintain an asset register for 'fixed assets' to ensure that they are appropriately safeguarded and ultimately disposed of appropriately.</i> <i>13.1.2 The term 'fixed assets' refers to physical items of a capital nature where values exceed the £10,000 de minimis level for capitalisation recommended by District Audit and which have a useful life of more than one year.</i> <i>13.1.3 The value of fixed assets will be the value at the point of purchase (excluding VAT) and the value will not be depreciated. Where it is not possible to trace the purchase price other sources such as the insurance valuation or formal valuation by suitably qualified persons should be used where available. As a last resort an estimated value at the point of purchase or nominal value of £1 may be applied.</i>	To provide clarity on the nature of fixed assets and to support improvements to the process of recording and managing such assets.

		<i>13.1.4 The asset register will include, as so far as is possible, the date of purchase, the value (including the source of the valuation) and the usual location of the asset.</i> <i>13.1.5 The asset register will be updated annually alongside the year-end accounts to reflect additions and disposals.</i> <i>13.1.6 No asset exceeding the £10,000 de-minimis level recommended by District Audit shall be sold, leased or otherwise disposed of without the authority of the Finance & HR sub-committee. The disposal should be based upon the market value for each item, with the price taking account of the age and condition of the item and, where practicable, using external reputable sources for a valuation. The market value at the time of disposal will be the value applied to the asset for the purposes of this paragraph.</i>	
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