



**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
7th May 2024
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: 7 May 2024

Time: 10.30 hours

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

Revised Agenda

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

Action Items

- 4 Minutes of the Finance & Personnel Sub-Committee meeting on 6 February 2024 (pg3)
- 5 Matters Arising - *Clerk*
- 6 Quarter 4 Payments and Receipts – *CEO / Joanne Sams (pg10)*
- 7 Quarter 4 Management Accounts – *CEO / Joanne Sams (pg12)*
- 8 Annual Statement of Accounts (Draft) for year ending March 2024 - *CEO / Joanne Sams*
- 9 *To resolve that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for item 10 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

- 10 HR Update – *DCO (pg14)*
- 11 New vessels update (verbal) – *CEO / DCO*
- 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: 22 April 2024

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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 6th February 2024 at 1030 hours.

Members Present:

Cllr T FitzPatrick	Chair	Norfolk County Council
Cllr T Adams		Norfolk County Council
Cllr M Chenery of Horsburgh		Norfolk County council
Cllr P Coupland		Lincolnshire County Council
Cllr P Skinner		Lincolnshire County Council
Ms I Smith		MMO Appointee
Mr S Williamson		MMO Appointee

Eastern IFCA Officers Present:

J Butler	Deputy Chief Officer
J Gregory	CEO
L Godwin	Assistant Chief Officer

FHR23/36 Welcome

The Chair welcomed members to the meeting.

FHR23/37 Apologies for absence

Apologies for absence were received from Joanne Sams (Aston Shaw Ltd).

FHR23/38 Declarations of Members Interest.

No Declarations of Interest were received.

FHR23/39 Minutes of the Finance and Personnel Sub-committee meeting held on 7th November 2023

The CEO advised there was a slight amendment needed at the end of Minute 23/28 – Suffolk Yacht Club should read Suffolk Harbour, Levington.

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

FHR23/40 Matters Arising

FHR23/30 PROVISIONAL BUDGET: Members were advised the Authority had approved the budget put forward by the sub-committee.

FHR23/41 Quarter 3: Payments and Receipts

Members were advised the payments and receipts were reasonably straight forward, with explanatory notes provided for the anomalies.

The large payment for legal fees was as a result of a longstanding debate about charging methods, which had been resolved.

Members Agreed to Note the contents of the paper.

FHR23/42 Quarter 3 Management Accounts

The CEO advised that looking at the end of quarter management accounts balances seemed to be on track.

Ms Smith queried some of the budget headings and what expenditure came under them. It was acknowledged they may not be obvious headings but to change them would make trying to compare them to previous years complicated, but they may be reviewed overtime.

Members Agreed to note the content of the report.

FHR23/43 Appointment of Auditors

Members were reminded the sub-committee annually agreed to appoint appropriate bodies to carry out the internal audit and to audit the Annual Return. Previously these had been carried out by Norfolk Audit Services and PKF Littlejohn respectively.

Members Resolved to engage the services of Norfolk Audit Services to carry out the internal audit and the appointment of PKG Littlejohn to audit the Annual Return for the accounts relating to 2022/2023 Financial Year

Proposed: Cllr Skinner

Seconded: Cllr Chenery of Horsbrugh

All Agreed

FHR23/44 Resolution

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

- a) **Item 10 on the grounds that it involved the likely 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**
- b) **Item 11 and 12 on the grounds that it involved the disclosure of information which is likely to reveal the identity of an individual which was exempt information as defined in Paragraph 2 or Schedule 12A of the Act.**

Proposed: Chairman
Seconded: Cllr Skinner
All Agreed

FHR23/45 Vessel Procurement Update

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

The Deputy CO updated members on the vessel procurement process and decisions made following the sale of John Allen. Having reached the decision that a potting vessel would future proof the Authority for activities across the District available options were investigated.

With the assistance of the Norfolk County Council Procurement Team the decision was made for separate tenders for the vessel and engines. Quotes for the vessel were received from five suppliers, having interviewed three suppliers the decision was made to buy a two-year-old second-hand vessel, a 9.6m Swiftcat, with the seller being commissioned to undertake the necessary modifications as they built the vessel.

Diesel outboard engines were identified as the most appropriate for the vessel. As diesel outboard engines were a relatively recent development there was only one supplier able to quote. It was anticipated the engines would be available by the end of March. A naval architect would ensure the vessel met the requirements of workboat code 3 once all modifications were completed.

Defra funding had been applied for to cover the cost of this vessel, whilst it was yet to be forthcoming the CEO believed all appropriate processes had been undertaken to be reasonably well assured funding would be forthcoming.

Members raised questions re the life expectancy of the outboard engines, which was believed to be a minimum of 10 years, and whether or not the Authority would be able to purchase the vessel without the Defra funding, to which the CEO advised that EIFCA did have sufficient reserves to cover the cost but that would inevitably impact upon future financial planning.

Members were advised the new vessel to replace Three Counties would be undergoing sea trials later in the week and it was anticipated handover would take place the following week.

Three Counties was on the market for sale. A purchaser based in Ireland had shown interest. Three Counties would undertake the EHO sampling the following week after which the vessel would be taken to refit to ensure it could be sold as a coded vessel.

The CEO advised members that when the contract for the new vessel to replace *RV Three Counties* was cost increases up to 5% of the value of the build if necessary. During the course of the build there had been a number of minor variations which had resulted in additional funding totalling just over 5% being required. Whilst still under the 5% the CEO had liaised with the Chair about some of the expenditure. It was accepted this was a particularly uncertain time for building costs to be confidently quoted and that with a project of this nature some changes were inevitable.

Members Agreed to note the content of the Report.

FHR23/46 Structure Review Update

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

Following the resignation of the Head of Finance and HR it had been identified that a like for like replacement was not in the best interest of the Authority. Initially the decision was made to use external financial support. Subsequently it was identified there was a need for the three executive positions to be retained, to ensure resilience within the Executive team. A long hard look was taken of the whole structure and where areas were identified as not operating at their best potential these had been addressed in the revised structure.

Each position had been carefully considered to ensure clarity of functions, as depicted in the revised job descriptions.

It was decided to rename the Head of Operations to Deputy CO, and title the third exec post as Assistant CO. Following an internal application and interview process an officer had been appointed to this position.

Following the resignation of a longstanding Senior Marine Science Officer the position had been filled internally. Both this and the position of Assistant CO were on a 6-month trial.

It was already apparent with the new structure, new staff and a new vessel there was a sense of optimism and team spirit amongst staff, which bodes well as the Authority addresses a number of challenging work streams.

Members Agreed to note the content of the report.

Role Changes Update

The Assistant CO explained to Members the rationale behind the role changes. Moving the Project Team to work more closely with the Marine Science Team was intended to make the overlap of workstreams a more streamlined process.

Inclusion of Grade 6 Project Officer was to encourage a broader skill set required to provide leadership and co-ordination throughout the Team. The budget for the Role Changes was likely to be slightly less than the previous arrangement.

Councillor Coupland expressed concern that the revised structure had not been put to members prior to the budget, he felt this was the wrong way round. He did not feel it was good practice to increase the budget and then subsequently ask members for their approval for what the increase was for.

The CEO acknowledged the point and advised that this had been as a consequence of timing and the need to approve the budget to set timescales whereas the work on the structure review was still ongoing at that point. The CEO advised that he had briefed the sub-committee on the potential outcome of the review, which included the retention of the third Executive post and that provision had been made in the budget to accommodate it. Members had been supportive of the direction of travel and had approved the budget, including the provision for the potential changes to structure.

The Chair reminded members the positions were currently in place for 6 months, and there would be a review and revisions made if it was not working as anticipated.

CLlr Chenery of Horsbrugh added that the Chair and Vice Chair had been given the authority to consider and approve any changes to the structure.

Ms Smith enquired how long it would be before the four new Marine Science Officers would be in a position to contribute fully to the workload. Members were advised they had spent most of their first month completing comprehensive training but were starting to pick up work. The new structure provided them with clarity and support.

Members were advised that part of the role changes included the Deputy CO being given the HR portfolio but would be assisted by an outsourced HR consultant.

Members Agreed to note the content of the report.

FHR23/47 HR Update

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

The Deputy CO advised members on HR activity since the last meeting:

- four Marine Science Officers had been appointed and began work on 4th January. All had begun a thorough induction process and were subject to a six-month probationary period.
- a Senior MSO had resigned after 27 years' service, which left a gap in terms of knowledge.
- 3 HR consultants were interviewed, the successful candidate had begun work with policies, contracts and staff handbooks. It was anticipated the incumbent would be able to support and upskill managers.
- sickness levels had increased slightly towards the end of December, largely attributed to covid and respiratory illnesses.
- one incident was reported, involving an Officer stepping from a vessel onto a pontoon which gave way causing significant bruising and several days off work. The incident had been reported to Riddor.
- The back dated pay award had been paid in November 2023.

Councillor Coupland questioned the cost of the HR Consultant and what was hoped to be achieved in 6 months.

The Deputy CO advised that HR requirements ebbed and flowed, there might be no requirements for months and then suddenly an issue might require 'on tap' HR advice. This arrangement had been agreed for an initial 6-month period. It was anticipated during the initial 6 months, time would be given to reviewing policies etc, once that work was complete time could be taken to review the necessity to retain HR support on a permanent basis.

Cllr Coupland questioned whether there would be a review of the provision at the end of the six-month period.

Members discussed the merits of ensuring HR and H&S policies and procedures are maintained and that Officers have read and understood them.

Members were assured all staff have regular supervisions, some in house training and some outsourced training.

Cllr Coupland advised it was essential new staff were signed off on competencies. Cllr Skinner reiterated this and emphasised it was important to be sure all requirements were met as investigations down the line could prove expensive.

Members Agreed to note the content of the report.

FHR23/48 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 1144 hours, the Chair thanked members for attending.

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Action Item 6

Finance and HR sub-committee meeting.

7 May 2024

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

Payments made and monies received during the period 1 January to 31 March 2024 (Quarter 4)

Purpose of report

To provide fourth 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.

The report on Payments made and monies received during the quarter 4 of the financial year 2023-24 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.

Report on Payments Made and Monies Received during the period					
1st of January to 31st March 2024					
Payments made during the period 1st of January to 31st of March 2024					
	Month 10	Month 11	Month 12	Total	Last Year
	£	£	£	£	£
Transfers to EIFCA Salaries Account	115,000.00	90,000.00	65,000.00	270,000.00	300,000
Rent, Rates & Service Charges	7,144.24	3,125.99	11,035.69	21,305.92	20,926
General Establishment	16,765.86	11,097.16	8,217.63	36,080.65	27,643
Legal Fees	1,194.13	480.61	750.00	2,424.74	3,330
Staff Travelling & Subsistence	3,259.64	820.62	884.92	4,965.18	2,124
Members' Allowances	19.20	97.85	17.35	134.40	464
Training	5,207.50	1,974.60	3,670.00	10,852.10	7,121
Moorings/Harbour Dues	1,091.60	926.66	3,006.30	5,024.56	4,008
Three Counties Operating Costs	3,714.19	5,020.02	90.26	8,824.47	9,725
FPVs ST & Sea Spray	30,713.14	2,334.94	3,547.40	36,595.48	20,219
Vehicle Operating Costs	3,871.78	2,115.99	351.80	6,339.57	22,143
Communication and Development				-	-
Insurance		1,538.36		1,538.36	-
Marine Science	1,811.66	107.22	4,479.33	6,398.21	210
Enforcement	2,164.64	900.15	731.35	3,796.14	4,841
WFO	172.88	2,738.36		2,911.24	-
Asset Purchases	257,764.62	15,261.60	58,791.98	331,818.20	316,703
VAT recoverable	55,715.70	7,711.02	-	63,426.72	80,535
Grant Funded Project	-	-	-	-	-
TOTAL PAYMENTS MADE	505,610.78	146,251.15	160,574.01	812,435.94	819,991
Monies received during the period 1st of January to 31st of March 2024					
	Month 10	Month 11	Month 12	Total	Last Year
	£	£	£	£	£
Levies				-	-
Defra funding				-	-
Asset replacement				-	-
WFO - Permit				-	-
EMFF Grants	18,750.00		6,250.00	25,000.00	-
Whelk Licences	500.00	1,000.00	1,160.00	2,660.00	1,155
Shrimp Permit				-	-
Wash & North Norfolk Coast EMS				-	-
VAT		£ 22,994.75		22,994.75	21,861
Fixed Penalty Fine				-	-
EHO Sampling				-	10,496
Lay Rents				-	168
Court Costs				-	-
Interest	2.25	2.25	35,938.02	35,942.52	15,481
Asset Sales				-	4,150
Refund Costs				-	-
Miscellaneous	5,867.45	483.00	2,887.74	9,238.19	54
Mineral oil rebate				-	-
TOTAL PAYMENTS MADE	25,119.70	24,480.00	46,235.76	95,835.46	53,365

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Action Item 7

Finance and HR sub-committee meeting.

7 May 2024

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

Report on the Management Accounts during the period 1 January to 31 March 2024 (Quarter 4)

Purpose of report

To provide fourth 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 4 of the financial year 2023-24 are shown in the following tables.

Background documents

There are no background documents to this paper.

Management Accounts Financial Year 2023/24									
		ACTUAL	ACTUAL	ACTUAL	ACTUAL	TOTAL	BUDGET	VARIANCE	MEMO
		Year to Date	YTD		Budget				
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1, 2, 3 & 4	Qtr 1, 2, 3 & 4		For Year
		£	£	£	£	£	£		£
<u>SALARIES & WAGES</u>									
Staff Remuneration		223,556	214,913	241,447	226,867	906,783	914,000	7,217	914,000
Pension		48,780	47,390	48,017	49,787	193,974	214,500	20,526	214,500
National Insurance		23,727	22,030	25,855	23,719	95,331	89,000	- 6,331	89,000
TOTAL		296,063	284,333	315,319	300,373	1,196,088	1,217,500	21,412	1,217,500
<u>GENERAL EXPEND</u>									
Accommodation		14,940	16,719	10,950	21,306	63,915	73,300	9,385	73,300
Insurance		-	10,569	-	-	10,569	10,900	331	10,900
General Establishment		55,321	38,629	50,587	38,540	183,077	105,300	- 77,777	105,300
Officers' Expenses		3,915	2,232	- 1,994	4,965	9,118	14,000	4,882	14,000
Members' Travel		196	100	120	134	551	1,500	949	1,500
Training		3,180	1,998	4,200	10,852	20,230	25,000	4,770	25,000
TOTAL		77,551	70,247	63,864	75,797	287,460	230,000	- 57,460	230,000
Media & Comms		330	672	-	-	1,002	750	- 252	750
Enforcement		5,846	4,405	1,740	3,796	15,787	21,500	5,713	21,500
Marine Science		3,680	1,366	16,180	6,398	27,625	18,000	- 9,625	18,000
<u>VESSELS</u>									
Moorings/Harbour Dues		235	669	1,543	5,025	7,472	6,500	- 972	6,500
<u>Vessel Operating Costs</u>									
Three Counties		7,518	12,352	6,233	8,824	34,928	55,000	20,072	55,000
FPVs ST & Sea Spray		5,684	25,707	1,234	36,595	69,220	32,500	- 36,720	32,500
Vessels Insurance		37,918	- 10,569	242	1,538	29,130	24,000	- 5,130	24,000
TOTAL		61,212	34,603	27,173	62,177	185,165	158,250	- 26,915	158,250
<u>VEHICLES</u>									
Operating Costs		6,095	7,035	8,620	6,340	28,089	41,500	13,411	41,500
TOTAL		6,095	7,035	8,620	6,340	28,089	41,500	13,411	41,500
Contingency		-	-	-	-	-	40,000	40,000	40,000
TOTAL EXPENDITURE		440,921	396,218	414,975	444,688	1,696,801	1,687,250	- 9,551	1,687,250
<u>INCOME</u>									
Levies		1,122,705	-	-	-	1,122,705	1,122,700	- 5	1,122,700
Asset Replacement		168,827	-	-	-	168,827	168,827	-	168,827
DEFRA 'New Burdens'		394,145	-	-	-	394,145	375,318	- 18,827	375,318
DEFRA 'Work Streams'		100,000	-	-	-	100,000	-	- 100,000	-
DEFRA 'Capital'		45,000	-	-	-	45,000	-	- 45,000	-
Grants		-	25,000	-	-	25,000	-	- 25,000	-
Cromer MCZ		-	20,000	-	-	20,000	-	- 20,000	-
FAPs		-	-	-	-	-	-	-	-
Miscellaneous Income		500	689	8,053	8,379	17,621	85,000	- 15,218	85,000
WCMB Permits		-	-	-	-	-	-	-	-
Whelk Licences		300	600	1,032	3,519	5,451	-	-	-
Shrimp Permits		-	2,200	1,200	-	3,400	-	-	-
Asset Sales		-	-	-	-	-	-	-	-
EHO Sampling		4,608	4,864	12,288	-	21,760	-	-	-
Lay Rents		-	-	-	-	-	-	-	-
Bank Interest		3,072	6,406	6,565	35,943	51,986	-	-	-
TOTAL INCOME		1,839,157	59,759	29,138	47,841	1,975,895	1,751,845	- 224,050	1,751,845
<u>Reserve Movement</u>									
New Vessel		-	-	-	-	-	-	-	-
Asset Purchases		380,044	1,075	292	331,778	713,189	-	-	-
Reserve Movement		1,018,193	- 337,534	- 386,130	- 728,625	- 434,096	64,595	- 214,498	64,595

