



**MINUTES OF THE LITTLEHAMPTON HARBOUR BOARD HELD IN COMMITTEE ROOM
1 AT THE ARUN DISTRICT COUNCIL CIVIC CENTRE, MALTRAVERS ROAD, ON
MONDAY 23RD JUNE 2014 AT 10AM**

Present: Councillor N Peters (Chairman)
Councillor I Buckland
Councillor R Elkins
Mr J O'Flynn
Councillor M Clayden
Councillor Dr J Walsh
Councillor D Wensley

In Attendance: Ms N Jones (Clerk to the Board)
Mr C Braby (Treasurer to the Board)
Mr B Johnson (Harbour Master)
Mrs J Harris (Notes Secretary)

557. WELCOME AND NOTICES

557.1 The Chairman reported that Councillor Gammon had resigned from the Board and that Councillor Clayden had been nominated by Arun District Council in his place. The Chairman welcomed Councillor Clayden to the meeting and invited him to make his declaration of office.

557.2 Councillor Clayden read and duly signed his declaration of acceptance of office as a Member of the Board.

558. MOBILE PHONES

Members and the public were reminded that the use of mobile phones (other than on silent) was prohibited at Harbour Board and Sub-Committee meetings.

559. APOLOGIES

Apologies were received from Mr Bush and Councillors Patel and Squires.

560. DECLARATIONS OF INTEREST

There were none.

561. PUBLIC QUESTIONS

There were six members of the public present.

561.1 In view of the proposal that the Board would be asked to consider at Agenda item 10, Changes to the rules governing the public questions session, Councillor Buckland asked if it was appropriate to change the order of the agenda without the Board having had the opportunity to discuss the change in procedure.

561.2 In response, the Chairman explained that it was felt that members of the public should have the opportunity to raise their questions earlier in the meeting so that they did not have to remain for the entire meeting. He also stated that Members of the

Board had subsequently been sent an email advising them of the change in the order of business.

- 561.3 Mrs Boyce stated that although the Ferry was ready to operate, a change in the licence requirements meant that staff previously qualified to operate the boat under an earlier code of practice were no longer eligible to operate the Ferry. Referring to the Board's Constitution on such matters, Mrs Boyce questioned whether the correct procedure had been followed in terms of consultation on implementing the new code and whether it was correct that staff would have to undergo further training before being able to take up their positions on the Ferry.
- 561.4 In response, the Harbour Master stated that as far as he was aware, the new code, the Solent and Southern Harbour Masters Association (SASHMA) - Licences for Boats and Boatmen Guidelines was an approved interpretation of the Maritime and Coastguard Agency (MCA) Inland Waters Small Passenger Boat Code of practice relating to small commercial vessels. Therefore there was no change in qualifications required to operate a commercial passenger vessel within the harbour. The Chairman stated that the Board did not wish to see the Ferry precluded from operating in the Harbour and it was agreed that the Harbour Master would take this issue forward outside the meeting.
- 561.5 Regarding the proposal to change to the rules governing the public questions session, Mr Boyce asked if was correct that such changes required a Board Resolution. He also asked the Board to consider expanding the amount of time allocated to the public questions session to 30 minutes.
- 561.6 The Chairman explained that the proposal to contain the amount of time allocated to the public questions session was based on a desire to facilitate a better discussion on strategic matters. It was also noted that the Board provided other forums where operational matters could be raised and addressed.
- 561.7 Referring to an email he had sent to the Board relating to the 2010 Business Plan, Mr Basnett asked why he had not received a reply and sought answers on a number of points regarding actions which might be outstanding which were contained within the Plan.
- 561.8 In response the Chairman stated that the email did not appear to have been received. In view of the extensive nature of Mr Basnett's request he asked Mr Basnett to resend the email and assured him that he would receive a response.
- 561.9 Mr Basnett pressed the Chairman for a timescale for receipt of a response and suggested that a procedure whereby correspondence is acknowledged be instigated to prevent this happening again. The Chairman agreed to take this suggestion regarding this aspect of the Board's procedures forward.
- 561.10 Mr Chapman asked if the Board had a business plan for the Harbour and what type of port was envisaged.
- 561.11 The Chairman expressed his understanding based on the Awayday discussions that a commercial port was envisaged. A discussion ensued and in reviewing minute 544 from the previous meeting regarding the Action Points from the Strategic Awayday, it became apparent that more clarity was required regarding the Boards decision in relation to the plans for the future operation of the Harbour. Members also expressed the view that it would have been helpful if the Action Points from the Awayday were attached to the minutes of the last Board meeting.

561.12 Mr Boyce stated that it was his understanding that it was the policy of the Board, Arun District Council and Littlehampton Town Council that the Harbour strategy was to become a leisure port. Therefore, if the Board had changed its stance, he requested the matter be discussed at a future meeting of the Board.

561.13 The Treasurer offered some clarity on the nature of the Awayday discussions. He explained that the purpose of the Awayday was to give Members of the Board the opportunity to take stock of changes in the harbour as a starting point for a strategic review of the future operation of the port. It was stated that in the interests of openness and transparency, this matter should be discussed in consultation with the public and it was therefore **RESOLVED** that:

- 1) **The Action Points from the Awayday be re-circulated to Members.**
- 2) **The future strategy for the Harbour be discussed at a future meeting of the Board.**

561.14 The Board received details of a written question from Vernon and Daniel Parker in which they sought compensation for the disruption caused to their business through having to move from their Pier Road moorings during the flood defence works. They also asked if a discount was available for paying mooring costs in full.

561.15 The Board noted that in his response the Harbour Master had explained that business interruption compensation as a result of the flood defence works was being handled by the Environment Agency. He had also set out the Board's policy regarding the payment of harbour dues confirming that there was no discount for paying mooring costs in full. The Board noted that for the most part better berths had been provided to users during the works and that those moored at Pier Road would directly benefit from improvements to the facilities available once the works were completed.

561.16 The Board received details of a written question from Mr Boyce which set out a number of queries relating to the structure of the Board's borrowings from the Public Works Loan Board (PWLB) and sought clarification on early settlement penalties.

561.17 In response the Treasurer circulated a summary of the Board's outstanding debt with the PWLB as at 31st March 2014. This showed that a substantial portion of the Board's borrowings were charged at between five and six percent. The Treasurer explained that the PWLB terms and conditions for restructuring of debt would trigger an unacceptably high penalty for early repayment at this point in time due to the fact that the current interest rates were so low .

561.18 Mr Boyce asked that the Annual Report that the Board was required to produce be published on the Harbour Board's website.

561.19 It was agreed that steps would be taken to ensure that this information was available on the Harbour Board's website.

562. MINUTES

562.1 The Board received the Minutes of the meeting held on 28th April 2014 (previously circulated). In view of the earlier discussion regarding the outcome of the Strategic Awayday, the Board **RESOLVED** that:

The Action Points from the Awayday be attached to the minutes and that the Minutes of the meeting held on 28th April 2014 be approved.

563. MINUTES OF THE PERSONNEL SUB COMMITTEE MEETING 16TH JUNE 2014

563.1 The Clerk reported that this meeting had been unable to proceed as expected and would be rescheduled. It was anticipated that the Sub Committee would have a recommendation for the Board to consider at the September meeting.

564. APPOINTMENT OF A MEMBER TO THE AUDIT SUB-COMMITTEE

564.1 The Clerk reported that the resignation of Councillor Gammon had created a vacancy on this Sub Committee. Councillor Dr Walsh proposed Councillor Clayden and this nomination was seconded by Councillor Wensley. There being no other nominations it was therefore **RESOLVED** that:

Councillor Clayden be appointed to the Audit Sub-Committee for the remainder of the year.

565. HARBOUR OPERATIONAL REPORT

The Harbour Master presented a report (previously circulated) which detailed the operational activities undertaken in the harbour since the last meeting. In addition the Harbour Master updated the Board on the following matters:

565.1 Commercial Trade

The Harbour Master reported that there had been one commercial ship visit and a further visit was expected before the end of the month. It was noted that depending on the availability of a berth at the UMA Wharf, Railway Wharf may be brought into use.

565.2 Leisure Trade

The Board noted that although Town Quay remained officially closed, accommodation for the increase in overnight berths had been managed.

565.3 Conservancy Duty

The Harbour Master reported that the Pier Road moorings had been handed back to the Harbour Board and that consequently two further surveys of the area had been undertaken in June. It was noted that the Environment Agency continued to undertake clearing and dredging activity in order to maintain good depths in the Harbour. He also confirmed that there had been no change in the Shoal Bank since the last survey on 19th March. Regarding Town Quay, it was estimated that the moorings would be handed back to the Harbour Board shortly and the Harbour Master expressed his thanks to berth holders for their continued co-operation during the flood defence works.

565.4 British Ports Association: Smaller Ports Fund

The Harbour Master reported that a bid had been submitted for a £2K grant towards the costs of works required on the Training Wall. The Board noted that outcome of the bid was expected in July.

565.5 Multi-Use Vessel Business Case

The Harbour Master stated that a report was being prepared which would be presented to the Board before the December budget discussions.

565.6 Major Infrastructure Renewal

The Harbour Master informed Members that as part of the action from the Strategic Awayday, quotes were being sought from engineering contractors for this work.

565.7 Harbour Dues

The Harbour Master reported that 407 plaques had been issued to date and that final reminders would be going out shortly.

The Board **RESOLVED** to:

Otherwise note the contents of the Harbour Operational Report.

566. REVISED PUBLIC QUESTIONS SESSION PROCEDURE

566.1 The Clerk presented a report which contained proposals to amend the public questions procedure of the Constitution (previously circulated). She explained that the changes aimed to address the concerns previously expressed by the Board that the current procedure was restricting public participation. Members were therefore asked to consider changes relating to the length of time allocated to the public questions session, the order of questions and the method of response as set out in appendix 1 attached to the report.

566.2 Members considered the proposed revisions in more detail and strong views were expressed regarding the proposal to limit the length of the session to fifteen minutes and the order of business. Members acknowledged that the Chairman had discretion in terms of the time allocated for public questions. There was some debate regarding the proposal to allocate 30 minutes for public questions, however in view of assurances from the Chairman that the proposals did not impinge upon his discretion, the proposal to extend the time allocation to thirty minutes was not supported. Regarding the order of business, the Board discussed whether the public questions session should be at the start or the end of the meeting. A debate ensued during which it was suggested that having the session at the start of the meeting would lead to a more informed debate by the Board as Members would have had the opportunity to hear and consider the views of the public before reaching a decision. The Board was undecided on this point and given that there were a number of people who regularly attended the meetings present, the views of those in the public gallery were sought on whether the session should be at the start or the end of the meeting. There was overwhelming support from those members of the public present for the public questions session to be placed at the end of the agenda. The Board therefore **RESOLVED** that:

- 1) The public questions session be moved to the end of the agenda.**

- 2) The remaining suggested revisions to the rules governing the public questions session as set out in appendix 1 attached to the report be approved.
- 3) The Harbour Board's Constitution be amended to reflect the changes to the public questions session.

567. PUBLICATION OF SUPPORTING PAPERS ON THE BOARD'S WEBSITE

567.1 The Clerk presented a report regarding the publication of supporting papers on the Board's website (previously circulated). She explained that following a request from a member of the public at a previous meeting, the Board was asked to consider whether it wished to change the current procedure and publish reports, other than those containing confidential or exempt information, on the website. Whilst not bound by the same legislation as Local Authorities regarding the publication of information, Members considered that in the interests of openness and transparency, it was prudent to adopt these principles. The Board therefore **RESOLVED** that:

- 1) Supporting papers, other than those containing confidential or exempt information, be published on the website.
- 2) The Harbour Board's procedures and Constitution be amended to reflect the changes in due course.

568. TREASURER'S REPORT

568.1 The Treasurer presented the statement of income and expenditure for the year ended 31st March 2014 (previously circulated). The final outcome was in line with the provisional figures presented to the Board in April which showed a small yearend deficit of £1,009. The Treasurer stated that although leisure income had failed to meet budget targets, total income for the year had exceeded budget by £22,000 due to the contract with the EA to provide a crewed safety boat during the construction of the East Bank flood defences. It was noted that the costs of crewing the safety boat had had an impact on employee costs, the decision to create a new accounting and administration post was also a contributory factor, (partially offset by savings from the the cancellation of the AOS contract), and consequently the overall budget in this respect had been exceeded by a total of £26,000. He highlighted that the Board had been able to undertake maintenance works on the West Bank and the removal of the shoal at a cost significantly less than originally envisaged and this had enabled investment in several smaller projects which aimed to improve services for harbour users. It was therefore **RESOLVED** that:

The Report be noted.

569. REPORT ON THE AUDIT SUB COMMITTEE MEETING HELD ON 19TH MAY 2014

569.1 The Treasurer presented a report which contained the minutes of the Audit Sub Committee held on 19th May 2014 (previously circulated). He explained that in addition to dealing with a number of matters arising from the previous Committee meeting, the Committee had received the Statutory Statement of Accounts for the Harbour Board for 2013/14. Having reviewed the final statement of accounts, the Sub Committee were content that they be accepted and recommended to the Board for approval.

569.2 Regarding the Internal Auditor's recommendation that the free of charge harbour plaques issued be recorded, it was noted that whilst it was proving challenging to set up a system, this was being investigated. The Harbour Master confirmed that the

number of free of charge plaques issued was small and covered youth organisations such as the local Sea Scouts and Cadets. The Board therefore **RESOLVED** that:

The Report be noted.

570. TREASURERS REPORT ON THE 2013/14 INTERNAL AUDIT

570.1 The Treasurer presented a report which set out details of the scope of the internal audit which was conducted on 1st May 2014 and the Internal Auditor's conclusions (previously circulated).

570.3 The Board were asked to note that although the audit had highlighted several minor errors, these had subsequently been corrected and did not impact on the integrity of the 2013/14 figures. It was therefore **RESOLVED** that:

The Internal Auditors Report be noted.

571. APPROVAL AND ADOPTION OF THE 2013/14 STATEMENT OF ACCOUNTS AND ANNUAL RETURN

571.1 The Treasurer presented a report which set out details of the final Accounts and Annual Return for the financial year 2013/14 (previously circulated). He reminded Members that the accounts had been reviewed by the Audit Sub Committee at their meeting held on 19th May 2014 and that the Committee was content to recommend them to the Board for approval. He explained that the Accounting Statements (Section 1 of the Annual Return) were a summary of the Statutory Accounts and that the Board was also required to formally acknowledge the adequacy and effectiveness of both the internal controls and internal audit procedure as set out in the Annual Governance Statement (Section 2 of the Annual Return).

571.2 The Treasurer explained that the deficit for the year included the costs of the Harbour Revision Order, provision for which was made in the previous years' accounts. Members were also reminded of the requirement to retain a balance of £35,000 in the General Fund to meet the current year deficit. Therefore, in order to meet this requirement the approval of the Board was sought to transfer £16,009 from Earmarked Reserves to the General Fund leaving a balance of £23,646 in Earmarked Reserves.

It was noted that the value of both debtors and creditors had increased on the prior year but that this was partly due to timing. In addition, the Board was now required by ADC to hold the equivalent of one month's payroll on deposit with them which had increased the level of debtors.

571.3 An anomaly in the reporting of the analysis of loans by maturity was highlighted and the Treasurer explained that the figure quoted in the 10-15 years category for 2014 was correct, there having been an error in the breakdown of loans in the prior year reporting. 71.4 Having reviewed the Statement of Accounts, and the Annual Return the Treasurer requested members to approve them and authorise the Chairman to sign both documents on their behalf. In doing so the Board were also expressing their satisfaction with internal controls and the internal audit procedures and accepted the need to transfer £16,009 from Earmarked Reserves in order to maintain sufficient funds in the General Fund. It was therefore **RESOLVED** that:

1) The transfer of £16,009 from Earmarked Reserves to the General Fund be authorised.

2) The 2013/14 Annual Accounts Statement and the Annual Return be approved and that the Chairman be authorised to sign sections 1 and 2

of the Annual Return on the Board's behalf and for The Clerk to sign section 2 accordingly.

572. EXEMPT BUSINESS

It was **RESOLVED** that:

Due to the confidential nature of the following items to be considered, that the public and accredited representatives of the press and other media be excluded from the meeting on the grounds that they involve the likely disclosure of business of personal information relating to an individual, the business of third parties and/or legal proceedings.

573. THE EXEMPT MINUTES OF THE MEETING HELD ON 28TH APRIL 2014

The Exempt Minutes of the meeting held on 28th April 2014 (previously circulated to Members of the Board only) were confirmed as a true record and signed by the Chair.

The meeting closed at 11.23am.

CHAIR