

AGENDA ITEM 11

MINUTES OF THE MEETING

OF THE LITTLEHAMPTON HARBOUR BOARD

HELD IN THE NEW MILLENIUM CHAMBER, LITTLEHAMPTON TOWN COUNCIL

CHURCH STREET, LITTLEHAMPTON ON

MONDAY 12TH JUNE 2017 AT 10AM

Present: Mr Bush (Chairman)
Councillor Blampied
Councillor Buckland
Councillor Elkins
Mr Marchant
Mr R O'Callaghan
Mr Karl Roberts
Mr Roger Spencer
Councillor Dr Walsh

In Attendance: Mrs S Simpson, Clerk to the Board
Mr C Braby, Treasurer to the Board
Mr Billy Johnson, Harbour Master
Mrs J Harris (Notes Secretary)

126. WELCOME AND NOTICES

126.1 The Chairman reported that West Sussex County Council had yet to confirm their nominated representatives and that, consequently, the Annual Meeting had been deferred and would be held at the next Board meeting. Councillor Dr Walsh questioned this on the grounds that the Board's Constitution stated that the date of the Annual meeting could only be varied by a Board Resolution. The dates having been agreed by the Board, he therefore called for the Annual Meeting to proceed. In response, the Chairman stated that having spoken at length to the County Council it was considered undemocratic for the Board to proceed with the Annual Meeting without all nominees confirmed. It was however considered lawful that the meeting would proceed as an Ordinary Meeting of the Board to consider the business set out in the summons.

126.2 The Chairman welcomed Mr Roberts and Mr Spencer to their first meeting of Board as nominated representatives of Arun District Council. On behalf of the Board he also thanked Councillor Clayden and Mr Tony Squires for their past service.

127. DECLARATIONS BY MEMBERS OF LITTLEHAMPTON HARBOUR BOARD

127.1 The Declarations of the acceptance of Office by Mr Roberts and Mr Spencer were noted.

128. APOLOGIES

Apologies were received from Mr Nigel Peters.

129. DECLARATIONS OF INTEREST

No declarations were made at this point in the meeting.

130. PUBLIC FORUM

130.1 There were eleven members of the public present.

130.2 As a former long-standing member of the Board, Mr Tony Squires questioned the changes to the elected representatives of Arun District and West Sussex County Councils on the Board. He stated that to the best of his knowledge, the Board had never discussed or agreed to the recent changes which in his view were undemocratic. He therefore asked by what authority the changes had been made.

130.3 The Chairman explained that the change was in response to an outstanding action authorised by the Board at an "Awayday" event that had taken place four years previously. Mr Squires disputed this assertion.

130.4 Regarding the incident of the erroneous receipt reported to the Audit Sub Committee, Mr Boyce suggested that the Board should investigate the incident more closely. He also asked for clarification regarding the computer malfunction which was reported as being responsible for the loss.

130.5 The Harbour Master began an explanation but was interrupted by suggestions of gross misconduct levelled at board officers by another member of public in the gallery.

130.6 Bringing the meeting to order, the Chairman stated that it was unacceptable for the meeting to be disrupted in this way. He reminded those present of the procedures for making a complaint which should be put in writing to the Board.

130.7 Returning to the original question, the Harbour Master explained the circumstances that had led to the issuing of the incorrect receipt and confirmed that having investigated the matter fully, it was a system error. The receipt was being used by the individual concerned as proof that mooring fees had been settled in full. However, the balance remained outstanding.

130.8 Regarding agenda item 11, proposals to change the forum of public questions, Mr Terry Ellis stated that, in his view, the proposals were contrary to the freedom of speech. He therefore urged the Board, as Guardians of the river, not to agree to the recommendation.

130.9 The Chairman thanked Mr Ellis for his comments and stated that they would be considered when the Board came to discuss the matter later in the meeting.

130.10 Regarding the Annual Return 2016/17, and the amount of the contingent liability, Mr Boyce questioned the reasoning behind the unknown value. As this related to an ongoing legal case, he suggested that the Board should place a figure on the size of the liability.

- 130.11** In response, the Treasurer stated that following advice from both the Internal and External Auditor, and as it was not yet possible to accurately define the total amount of the potential liability, it was not considered appropriate to include a figure for liability at this time. The circumstances must however be noted as part of the Annual Return reporting hence the note to the accounts.
- 130.12** Regarding para 4 of Section 1 of the Annual Return Mr Boyce stated that he had been unable to make arrangements to inspect the accounts. He therefore questioned the Board's ability to say that it had complied with the necessary requirement in this regard.
- 130.13** In response the Treasurer stated that Mr Boyce's request to attend the Harbour Office to examine the records had been made on the very last day of the publicly advertised examination period. In any event the documents Mr Boyce requested sight of would have needed to be redacted to prevent competitive advantage being gained before he could have been granted access to them. Thus this had resulted in him running out of time to exercise his public rights.
- 130.14** Mr Terry Ellis reminded the Harbour Master of the repeated calls for the removal of unsightly vessels moored in the harbour, and that the Board's constitution required the provision of fenders and that mooring plaques be displayed. He therefore questioned the decision to allow unsightly vessels to remain moored in the harbour and suggested that the Harbour Master had mislead people on the constitution.
- 130.15** Reiterating his previous stance on the matter of the unsightly vessel, the Harbour Master explained that the mooring had been paid for and that he had a duty to ensure that the harbour was commercially viable. He also assured the Board that he was content with the mooring arrangements. Regarding the enforcement of the rules regarding the display of plaques, whilst he agreed it would be helpful if all users ensured that they were displayed, he was confident that all harbour dues were up to date.

131. MINUTES

- 131.1** It was **RESOLVED** that the minutes of the meeting held on 20th March 2017 (previously circulated) be approved and signed by the Chairman.

132. INSURANCE REPORT

- 132.1** The Treasurer presented a report (previously circulated) regarding the likely impact on insurance premiums of changes to the Ogden Tables. The Board therefore **RESOLVED** that:

The report be noted and to look to the Harbour Master and Treasurer to keep this matter under close review.

133. REPORT ON AND MINUTES OF THE AUDIT COMMITTEE MEETING 8th MAY 2017

- 133.1** The Board received a report (previously circulated) which contained a summary of the outcome of the recent Internal Audit and the Audit Plan for 2017/18. The Treasurer drew the Board's attention to a matter that had come to light with

regard to the generation of an erroneous receipt from the “Harbour Assist” management system. He explained that internal investigations had not revealed any irregularities, and in addition, he had raised the issue with the software supplier who was unable to provide a satisfactory explanation as to how this error could have occurred. However, he had received assurances from them that steps had been taken to prevent such an error happening again. Members sought clarity on the procedural changes that had been introduced following this event. The Harbour Master explained that staff no longer relied solely on system generated payment receipts and that a hard copy receipt was also now being issued in respect of cash transactions. Mindful of the questions that had been raised during the public forum, Members considered that there was value in commissioning an independent investigation into this incident. It was agreed that the Local Authorities be approached to see if they had “in house” expertise in this area and the likely costs. The Board therefore **RESOLVED** to:

1. **Delegate authority to the Chairman in consultation with Officers, to approach Arun District Council and West Sussex County Council to undertake an independent investigation into the incident, the outcome of which would be reported back to the Board.**
2. **Note the contents of the report and the Minutes of the Audit Committee meeting held on 6th May 2017.**

134. REVIEW OF THE ANNUAL GOVERNANCE STATEMENT (INCLUDING SECTION 1 OF THE 2016/17 ANNUAL RETURN)

134.1 The Treasurer presented a report which set out the areas to be considered by the Board before moving to approve this section of the Annual Return which dealt primarily with governance issues. The Treasurer brought members attention to Box 8 and, in particular, the section which dealt with litigation and commitments and reminded members that the Board faced a challenge in court to its charges later in 2017. To that end, the Treasurer informed the Board, a contingent liability note had been included against the Board’s Balance Sheet . As reported earlier in the meeting, both the Internal and External Auditors had been notified of the circumstances surrounding this matter. It was therefore **RESOLVED** that:

- 1) **The Board confirmed that, to the best of its knowledge and belief, that with respect to the accounting statements for the year ended 31st March 2017, they had complied with all 8 items.**
- 2) **In responding “yes” to question 8, the Board had considered the possible impact on the Board’s finances of a contingent liability, a note of which will be submitted with the 2016/17 Annual return.**
- 3) **The Chairman and the Clerk be authorised to sign Section 1 of the 2016/17 Annual Return on behalf of the Board.**

134.2 Councillor Dr Walsh questioned the governance implications in terms of the Board’s Constitution and composition following the appointment of Officers by Arun District Council to the Board. Referring to the earlier comments of the Chairman in response to a question during the public forum, Dr Walsh read

from the list of actions arising from the Board "Awayday" in 2014. This included a recommendation that an independent governance compliance review be undertaken every five years and that a matrix of skills and experience would be drawn up as a basis for building a Board that was "fit for purpose". As a Board Member, he recalled no further discussion by the Board on this and was surprised to learn that there had been correspondence with the District and County Councils regarding their nominees. He proceeded to read extracts from exchanges of correspondence between the Board and these authorities which questioned the impartiality and integrity of their appointees. Having sought evidence to support these claims from the Chairman, none had been forthcoming. In view of the detrimental impact of this on the reputation of the Board, he considered it outrageous that matters should have escalated in this way and asked that his letters on this matter were responded to as a matter of urgency. Councillor Buckland supported Councillor Dr Walsh in his statement by stating that this action could bring the wider membership of the Board into disrepute and supported the request for evidence to support the claims that had been made in this respect.

- 134.3** The Chairman responded that the letters referred to were considered privileged and he offered to circulate them to Members of the board and place the matter on the agenda for a subsequent discussion. He also stated that a discussion had been held with the leadership of both authorities on a range of issues relating to the Board. In the interest of openness and transparency, Councillor Dr Walsh demanded to know why this meeting had been requested and what had been discussed. The Chairman agreed to provide Councillor Dr Walsh with a written response which would be copied to all Board members.

135. HARBOUR OPERATIONAL REPORT

- 135.1** The Harbour Master presented a report (previously circulated) which detailed the operational activities undertaken in the harbour since the last meeting. In addition, he also updated the Board on the commercial activity, leisure trade and work boat activity. It was also noted that there had been an increase in incidences of theft in the Harbour and that the excavator on the West Bank had been vandalised. Observing that the Goring Outfall buoy remained off station, concerns were expressed that this might pose a threat to the safety of users and it was agreed that a letter be sent to Southern Water asking them to take action. It was **RESOLVED** that:

The Contents of the Harbour Operational Report be noted.

136. TREASURER'S REPORT

- 136.1** The Treasurer presented the income and expenditure statement and income analysis for the year ending 31st March 2017 (previously circulated). The final outcome for 2016/17 was a small surplus of £257 which had been achieved through an increase in operational income and some lower than projected overhead costs. Predicting income that could be achieved through the contracting out of the workboat Erica would always be a challenge and it was hoped that this would become easier as the service became more established.

Observing that the scrubbing piles charged to the 2016-17 accounts had yet to be installed, the Harbour Master confirmed that these should be in place by the end of July. It was also noted that Members would receive an update on legal matters and costs to date in the exempt part of the meeting. On behalf of the Board the chairman complimented the Treasurer, the Harbour Master and the staff on the satisfactory end of year outcome. The Board therefore **RESOLVED** that:

The Report be noted.

137. REPORT ON THE FORMAT OF PUBLIC QUESTIONS

137.1 The Harbour Master presented a report (previously circulated) which set out changes to the Board's Constitution regarding Public Questions. The Harbour Master explained that the changes aimed to provide more constructive engagement with the public on the strategic issues effecting the Board. The main change would require members of the public to submit questions to the Board in writing in advance of a meeting with full details of such questions and responses to be subsequently published.

137.2 Members proceeded to consider the proposals in more detail and discussion focussed on the importance of providing a forum for the public to raise questions with the Board and the need for clarity regarding issues raised. It was noted that research of practices adopted by local authorities had shown a trend towards written only public questions. There was a view that a change of this nature could stifle the informal nature of the public forum. It was also suggested that this agenda item would be more effective if the existing rules of the public forum were more rigorously enforced to discourage statements. Reflecting on the effectiveness of the current arrangements the consensus was that this change would lead to a more strategically focussed questioning of the Board's activities that would complement the meetings of the Stakeholder Group. The Board proceeded to vote on the proposals and it was **RESOLVED** that:

The changes to the Board's Constitution regarding Public Questions as outlined in the report be approved.

Councillor Blampied left the meeting at 11.46am.

138. REPORT ON THE OUTCOME OF THE 2016/17 INTERNAL AUDIT

138.1 The Board received a report (previously circulated) which contained details of the Internal Auditor's work plan for 2017/18. It was **RESOLVED** that:

The Report be noted and the proposed Audit Plan for 2017/18 be approved.

Councillor Blampied re-joined the meeting at 11.50am.

139. APPROVAL OF THE 2016-17 ACCOUNTS AND ANNUAL RETURN (SECTION 2)

Councillor Dr Walsh declared a personal interest in the following matter as a Trustee of the West Sussex Local Government Pension Scheme.

139.1 The Board received a report from the Treasurer which set out the review and adoption of the 2016-17 Statement of Accounts and Section 2 of the Annual Return (previously circulated). Regarding fixed assets relating to Arun Parade, Nelson Steps and the Pier Road retaining wall, it was noted that the final ownership of these areas was being reviewed with the Environment Agency and Arun District Council. The Board **RESOLVED** to:

- 1) **Approve and adopt the Annual Statement of Accounts for the year ending 31st March 2017.**
- 2) **Approve and adopt Section 2 of the 2016-17 Annual Return, and that the Chairman be authorised to sign it on behalf of the Board.**

Mr Roberts left the meeting at 11.58 am.

140. REVISED MOORING AGREEMENT

140.1 The Clerk presented a revision to the annual mooring agreement for approval (previously circulated). The agreement had been updated and more emphasis was placed on the need for vessels to maintain a good appearance and be in a good state of repair. The procedure for enforcing this condition was noted and it was **RESOLVED** that:

The changes to the Annual Mooring Agreement be approved.

141. 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 because they involve the likely disclosure of business of personal information relating to an individual, the business of third parties and/or legal proceedings.

**SUMMARY OF MATTERS DISCUSSED IN THE
EXEMPT PART OF THE AGENDA**

**142. THE CONFIDENTIAL AND EXEMPT MINUTES OF THE MEETING HELD
ON 20TH MARCH 2017**

142.1 Members received brief updates on current confidential matters affecting the Board as appropriate. It was **RESOLVED** that:

The Confidential and Exempt Minutes of the meeting held on 20th March 2017 (previously circulated to Members of the Board only) be confirmed as a true record and signed by the Chair.

143. APPOINTMENT OF THE INTERNAL AUDITOR

The Board received a report from the Treasurer regarding the reappointment of the Internal Auditor (previously circulated to Members of the Board only). It was **RESOLVED** that:

Ms Hall be reappointed as the Board's Internal Auditor for 2016/17 at the current fee.

The meeting closed at 12.24pm.

_____ **CHAIR**

LHB MEETING – 24th July 2017

Agenda Item:
12

LITTLEHAMPTON HARBOUR BOARD

Report to: Littlehampton Harbour Board

Report on: Harbour Operations

Report by: Harbour Master

Date: 2nd July 2017

Commercial Activity

Pilotage/Commercial Shipping Trade

UMA Wharf

May 1
Jun 0
Jul 0 to date

Railway Wharf

May 0
Jun 0
Jul 0

Leisure Trade

Town Quay

May 54
Jun 103
Jul 0 to date

Workboat Activity

May ERICA tow to Southampton. ERICA servicing Wave buoys Selsey, Chichester and Yarmouth IoW. WINDSONG involved in AYC pontoon works.

Jun ERICA out of water at SYC 8th-22nd June for maintenance. ERICA tow to Brighton

Jul ERICA tow within river planned.

Conservancy Duty

The LHB continues to operate an open port and un-interrupted pilotage service, stand fast times when ERICA was off station which were scheduled for neap windows.

Survey

Bar	last conducted	6 th May 15
Town Quay	last conducted	10 th Feb 17
Complete Port survey (incl Bar)	last conducted	3 rd Jun 16

Maintenance

Staff primarily tasked to maintenance of ERICA and other boats in preparation for summer season.

Aids to Navigation

Goring Outfall buoy remains off station.

Dredging

Nil.

Local Notices to Mariners Published		
05 of 2017 – Open Water Swim	Issued	13 th Jun 17
06 of 2017 – Armed Forces Day	Issued	22 nd Jun 17

Consents/Consultations

Section 43 Consents

Nil

MMO/Trinity House Consultations

LHB application for Scrubbing Piles

With MMO

Environment

WFD Assessment for scrubbing piles completed.

Safety

MarNIS Report

Date	ID Code		Accident Category	Name
11/05/2017	LHP4087REP	I	Theft	007 of 2017 - Theft from Town Quay
06/05/2017	LHP4086REP	I	Members of Public	006 of 2017 - Vandalism of Long Reach Excavator
09/04/2017	LHP4085REP	I	Fire/Explosion	005 of 2017 - Fire On Vessel at Dukes Wharf
07/04/2017	LHP4084REP	I	Struck by moving object	004 of 2017 - I Greer Cleat Failure
02/04/2017	LHP4083REP	I	Machinery (contact with)	003 of 2017 - Mayfly Entrapment
01/04/2017	LHP4081REP	I	Slip, trip, fall same level	001 of 2017 - Medivac Change of Course
01/04/2017	LHP4082REP	I	Fire/Explosion	002 of 2017 - Jet Stream Fire on board
17/09/2016	LHP4080CLO	I	Other personnel or public safety item	014 of 2016 - Yachts Crew Caught in Mooring Line
01/09/2016	LHP4079CLO	I	Diving Injury	013 of 2016 - Death of Diver from HUNTRESS IV
21/08/2016	LHP4078CLO	I	Sinking and capsizing	012 of 2016 - Motorboat Capsize
08/08/2016	LHP4076CLO	I	Collision ship - ship	010 of 2016 - Yacht / Final Answer
06/08/2016	LHP4077CLO	I	Other personnel or public safety item	011 of 2016 - Landrover slipway
30/07/2016	LHP4075ACT	I	Impact with Structure	009 of 2016 - Jetski Collision Marina

News and Activity on the River

Harbour Dues

405 plaques sold to 2nd Jul 17. (For comparison: last year 399 by 11th Jul 16.)

Boat maintenance

Work on WINDSONG including replacement anodes, antifoul and prop change took place 23rd May 17. ERICA hauled out at Sussex Yacht Club 8th -22nd Jun 17 for antifoul and anode change as well as minor works on engine cooling system. Emergent work on props and cutlass bearings also carried out.

Open water Swim

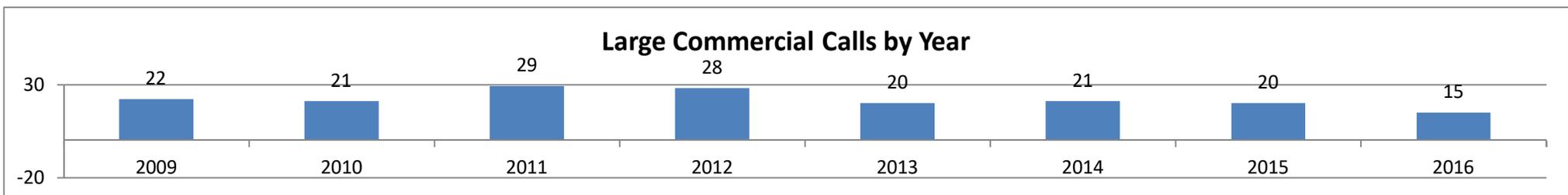
Around 450 swimmers involved in the– L Guess Jewellers River Arun 3.8km Swim, 24th Jun 17– from Ford to Littlehampton. This annual event organised by Raw Energy Pursuits grows in popularity but as always was well organised and marshalled, and passed without significant incident.

Recommendation

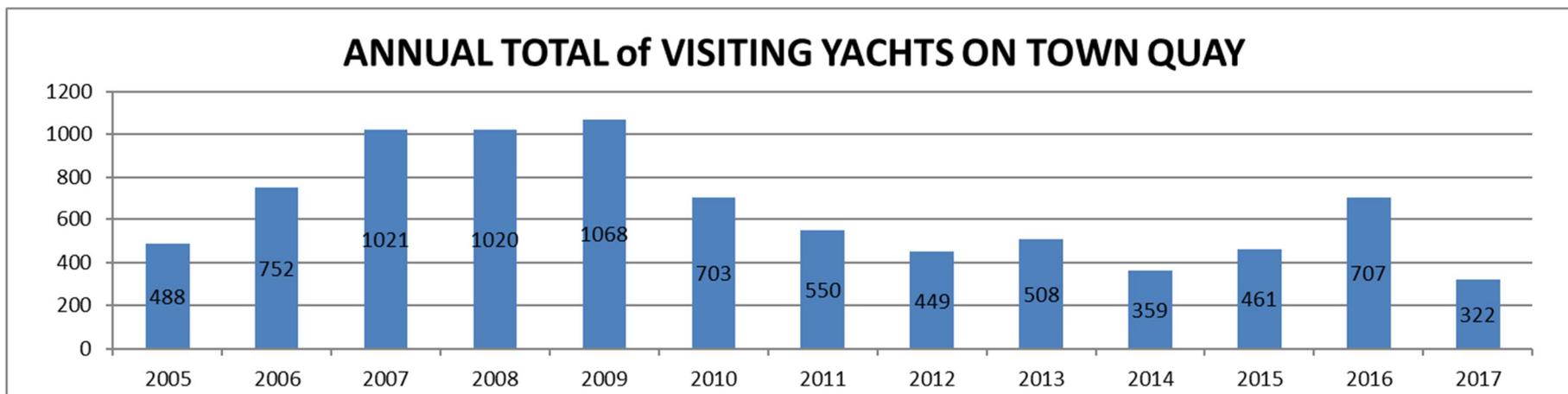
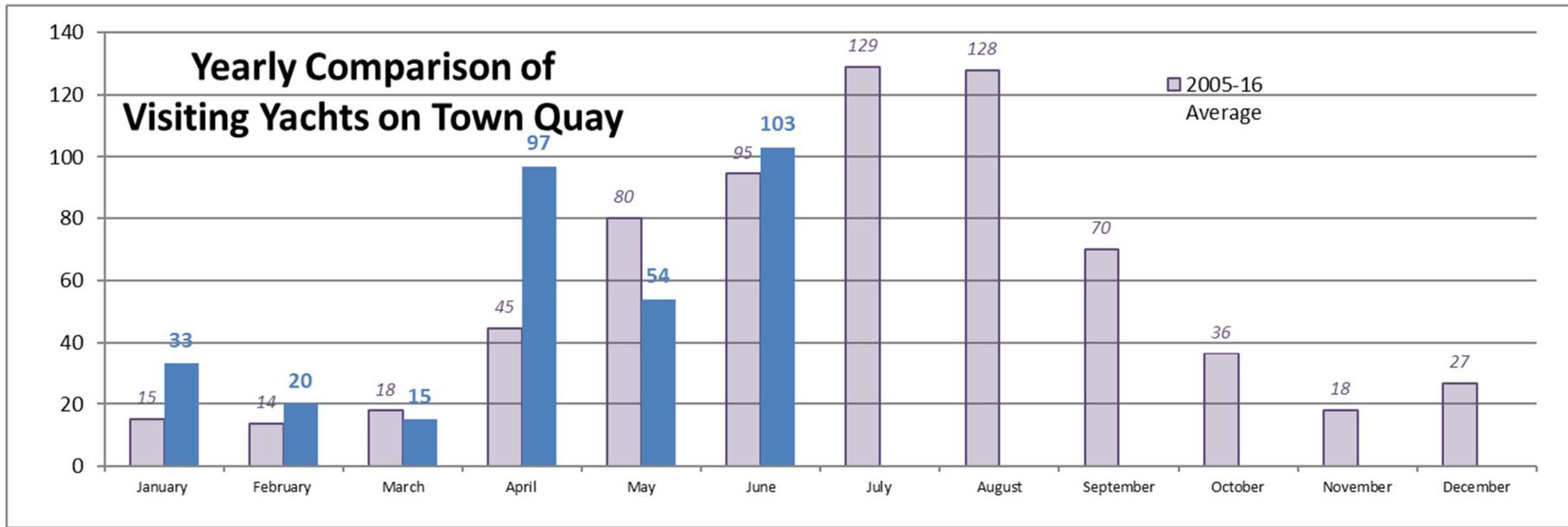
That the Board notes this report.

Commercial Shipping

Totals for Financial Year 2017/18								
No of Ships	Month	GRT	Gt Dues (£)	Cargo Dues In (£)	Pilot Boat and Mooring Service	Cargo Total	Pilotage and HDsTotal	Total Commercial
		0.4912						
1	April	1512	742.69	1283.23	£511.12	1,283.23	1,984.41	3,267.64
1	May	1512	742.69	1280.85	£769.85	1,280.85	2,243.14	3,523.99
0	June	0	0.00	0.00	£0.00	0.00	0.00	0.00
	July		0.00	0.00	£0.00	0.00	0.00	0.00
	August		0.00	0.00	£0.00	0.00	0.00	0.00
	September		0.00	0.00	£0.00	0.00	0.00	0.00
	October		0.00	0.00	£0.00	0.00	0.00	0.00
	November		0.00	0.00	£0.00	0.00	0.00	0.00
	December		0.00	0.00	£0.00	0.00	0.00	0.00
	January		0.00	0.00	£0.00	0.00	0.00	0.00
	February		0.00	0.00	£0.00	0.00	0.00	0.00
	March		0.00	0.00	£0.00	0.00	0.00	0.00
2			£1,485.39	£2,564.08	£1,280.97	£2,564.08	£4,227.56	£6,791.63
Budget			£9,706.00	£17,757.00	£6,133.00	£17,757.00	£23,852.00	£41,609.00
Forecast			0	0	0	0	0	0
Variance			£8,220.61	15192.92	£4,852.03	29965.34	34817.37	£34,817.37



Leisure Visitors



LITTLEHAMPTON HARBOUR BOARD

Report to: Littlehampton Harbour Board

Agenda item 13

Report on: Treasurer's Report

Report by: Treasurer to the Board

For the 24th of July Board Meeting

Income and Expense to the end of May 2017

Summary

At the end of May Operational Income at £100,092 was lower than budget by £12,311 and Operational expense at £96,468 below budget expectations by £5,748. Phasing of budgets especially this early in the financial year tends to be somewhat difficult and most variances up or down are due to timing. Although the progress in the collection of leisure harbour dues does not show very favourably against budget we are in fact marginally ahead of this time last year.

	Actual to May £	Budget to May £	Budget Total Year £
Operational Income	100,092	112,403	366,943
Bank Interest	3	113	450
Operational expense	(96,468)	(102,216)	(405,400)
Loan repayments	(41,930)	(41,930)	(166,368)
Capital Expense	(0)	(0)	(0)
Precept Income	204,413	204,413	204,413
TOTAL	166,110	172,783	38

Operational income- at £100,092 was behind budget at this point by £12,311. **commercial shipping operations** were more or less on target, **Leisure income** was however short of budget by £11,822, harbour Dues being the main contributor. Income only benefits from harbour dues when payment is received and the budget assumption was that all payments would be collected by the end of May which in hindsight was perhaps somewhat optimistic. This time last year £38,000 of dues had been collected, marginally below this year but by the end of July that figure had risen to £47,000. The final outcome for the year was £52,000 which gives some indication of the painfully slow process involved in extracting the last 10% of dues owed.

Operating expense amounted to £96,468 under budget by £5,808. Typically at this very early stage in the year, forecasting trends on spending is extremely difficult to forecast. Variances of note were **Moorings maintenance**, up on budget by £1,360, (replacement of cleats at the Workshop and electrical supply and security improvements at Dukes Wharf). **Navigational** up by £1,845, (Oil Spill contract and excavator hire all budgeted but later than May), **Boats and Vehicles**, (fuel purchases for re sale and in house use), **Rent and Rates**, below budget by £5,863, (leased occupation of the former UMA site and revised rating charges). The Board are currently pursuing further rate refunds with respect to charges levied in past years on unoccupied storage land. **Insurance** premiums up by £3,383, (engineering inspection), **Recoverable Costs** not budgeted; this is for material and hire charges recoverable from work boat contracts.

Comparison with last year

Overall there is little of significance at this stage between the two years, with the exception of last year's rate bills which were halved by way of rebate later in the year.

BACKGROUND PAPERS

Statement of Income and Expenditure to the end of May 2017

Income Analysis by source

C.C.Braby 1st July 2017

RECOMMENDATION: That the Board note this report

Littlehampton Harbour Board						
Income and Expenditure Statement to May 2017-18						
		2017/18	2017/18	2017/18	This time	
		Actual	Budget	Budget	Last	
		To end May	To end May	Year	Year	
		£		£	£	
Income						
Commercial Income		53,945	54,357	240,320	50,944	
Leisure Income		46,090	57,912	125,823	52,087	
Misc Income		57	134	800	2,098	
Investment Income		3	113	450	14	
Total Income		100,095	112,516	367,393	105,143	
Expenses						
Employee Costs		39,127	41,391	246,339	33,830	
Services to the Board		1,965	2,628	14,968	1,946	
Legal and Professional Services		606	1,666	14,000	138	
Repairs and Maintenance						
Premises		1,334	1,537	9,220	1,400	
Moorings		1,526	166	1,000	438	
Harbour Structures		0	2,311	13,869	1,753	
Navigational		2,814	969	9,810	2,485	
Boats and Vehicles		3,547	1,828	10,959	4,667	
Equipment Hire		0	0	3,500	1,357	
Administration						
Rent and Rates		5,369	11,232	12,451	14,902	
Utilities		164	813	3,250	649	
Printing, Postage and Stationery		424	596	4,700	623	
Insurance		30,383	27,000	27,000	28,402	
IT		4,502	5,496	9,101	5,320	
Telephone		143	225	1,350	131	
Training		470	1,233	7,398	693	
Other Administrative		1,464	1,565	13,035	1,531	
Recoverable costs		1,509	0	0	5,385	
Bank and Credit Card Charges		1,121	1,560	3,450	1,054	
Total Expenses		96,468	102,216	405,400	106,704	
Loan and interest payments- PWLB		22,105	22,105	146,543	22,105	
Loan and interest payments- WSCC		19,825	19,825	19,825	19,825	
Capital		0	0	0	0	
Total Expense		138,398	144,146	571,768	148,634	
Precept		204,413	204,413	204,413	206,457	
(Deficit)/Surplus		166,110	172,783	38	162,966	

LITTLEHAMPTON HARBOUR BOARD					
2017/18 Financial Year		2017/18	2017/18	2017/18	This Time
		Actual to	Budget to	Budget	Last Year
		May	May		
INCOME	Description	£	£	£	£
Commercial Vessels	Harbour Dues	1,485	1,618	9,706	1,220
	Cargo Dues	2,564	2,960	17,757	2,086
	Pilotage Service	1,461	1,336	8,013	1,200
	Pilot Boat and Mooring Service	1,282	1,022	6,133	1,012
Commercial Shipping		6,792	6,936	41,609	5,518
Commercial Rents	Railway Wharf (Tarmac)	21,000	21,000	84,000	21,000
	UMA Wharf	5,250	5,250	21,000	1,500
	The Old Customs House	6,250	6,250	25,000	6,250
	Workshop	1,875	1,875	7,500	1,875
	Office Rent	1,794	1,794	7,175	1,794
		36,169	36,169	144,675	32,419
Footbridge	Footbridge WSCC	6,734	6,734	26,936	6,734
Work Boats		4,250	4,518	27,100	6,273
TOTAL COMMERCIAL INCOME		53,945	54,357	240,320	50,944
Leisure	Harbour Dues Leisure Craft	39,521	53,166	53,166	37,606
	Visitor Harbour Dues	1,238	1,684	5,050	983
	Commission Look and Sea	(34)	0	0	0
		40,725	54,850	58,216	38,589
Chargeable Services	Crane	0	584	3,500	1,540
	Labour	0	25	150	21
	Electricity Cards	199	26	150	74
	Office Services	0	0	0	0
	Supplies	0	8	50	0
	Fuel Sales	580	0	0	3,382
		779	643	3,850	5,017
Moorings & storage	Moorings	2,787	0	55,000	6,878
	Visitors Berths	1,427	1,919	5,757	944
	Boat Storage	372	500	3,000	659
		4,586	2,419	63,757	8,481
Income from Investments					
	Investment Interest	3	113	450	14
Misc Income		57	134	800	2,098
Grants		0	0	0	0
Asset Disposals		0	0	0	0
Loan WSCC		0	0	0	0
TOTAL INCOME		100,095	112,516	367,393	105,143

LITTLEHAMPTON HARBOUR BOARD

Report to: Littlehampton Harbour Board

Agenda item 14

Report on: Report of an independent audit of the erroneous receipt

Date: For the 24th July 2017 Meeting

Report by: Treasurer to the Board

At the June Board Meeting the Treasurer delivered a report on the Audit Committee meeting held on the 8th of May. He drew the Board's attention to a matter that had come to light with regard to the generation of an erroneous receipt from the "Harbour Assist" management system. He explained that internal investigations had not revealed any irregularities, and in addition, he had raised the issue with the software supplier who was unable to provide a satisfactory explanation as to how this error could have occurred. He had however received assurances from them that steps had been taken to prevent such an error happening again.

As a result of this report Members resolved that an independent investigation should be commissioned into this matter. The Treasurer approached the Arun District Council Chief Internal Auditor Stephen Pearse to request his help with an independent investigation. It should be noted that out of courtesy the Treasurer initially tried to make contact with Stephen's line manager Alan Peach but unfortunately Alan was out of office for the remainder of the month.

Attached to this report are the audit findings.

RECOMMENDATION: That the Board note this report

Background Paper

E Mail from Stephen Pearse

Treasurer to the Board

30th June 2017

Christopher Braby

From: Stephen Pearse <Stephen.Pearse@arun.gov.uk>
Sent: 20 June 2017 11:22
To: Christopher Braby (christopher.braby@gmail.com)
Cc: 'Billy.Johnson@littlehampton.org.uk'; philip.bush@guernsey.net
Subject: Littlehampton Harbour Board receipting query

Chris,

Thank you for the time and co-operation of you and your colleagues yesterday.

Having discussed the events / issue and been provided with a demonstration of the system:-

- As per the correspondence provided, the system shows a cash payment of £1000 recorded against the account and cash received was reconciled at the time as part of the monthly processes
- Contact with the software vendor and their investigation did not identify any hidden transactions / manipulation of the account
- The system (as demonstrated yesterday, and there is no indication that it has changed since last July) should not allow the creation of a full payment receipt (labelled 'Receipt – Thank You For Your Payment') for a part payment from the order header, as the specific Receipt button function does not appear for a part paid account. In this case the system should produce a receipt for the amount paid (labelled Receipt Of Payment) from the specific payment line
(This functionality has also been confirmed in the correspondence from Langstone who use the same system)
- The discussions indicated that the document generated at the time the payment was received was generated by the system and sent by email (as part of its standard functionality) without it ever actually being physically seen at the time
- The fact that it should never be possible to generate this type of document in these circumstances was also confirmed by the software vendor in their email of 21 March 2017 who confirmed "However, it appears that in this situation that somehow it was."
They state that such an event has not been reported by any other user but that "Whether this was a bug or user-interaction / browser quirk remains unknown".

Conclusion:-

I believe that you have appropriately investigated the event, together with the software vendor – although they have not advised of an identified bug (despite the system producing something that they admit shouldn't be possible) they state they have added 'defensive security checks' although it is not clear what these are.

As per discussions, it was understood that you have already reviewed the procedures for taking cash payments and will consider providing as separate hand-written receipt (as well as that from the system) to ensure that there is not reliance on the system alone, in case such an event were to happen again. (Card payments will already have the 2ry transaction information from the card machine, etc.)

The only thing that did occur to me after I had left yesterday (and I raised in a later email) was that as well as taking a cash payment, the account name and email address had needed to be altered on the account. I don't know how frequently account details would be changed and what the system would generate as part of this where there is an outstanding debt on the account, but if this had been carried out alongside the payment being taken then the circumstances would be more rare than merely taking a cash part payment. (It might be worth considering this and if it might have caused an issue referring back to the vendor)?

I hope that this assists and will provide some reassurance to Board members. If you have any queries, please feel free to contact me.

LHB MEETING – 24th July 2017

Agenda Item: 15

LITTLEHAMPTON HARBOUR BOARD

Report to: Littlehampton Harbour Board

Report on: Annual Report

Report by: Harbour Master

Date: 2nd July 2017

1. Context

1.1 In accordance with the Port Marine Safety Code and the MCA Guide to Good practice the LHB publishes an annual report each year.

1.2 The report is drafted by the HM with financial input from the Treasurer (from the Board approved accounts for the preceding financial year) and has a forward from the Chairman.

1.3 This year's Annual Report is at the enclosure.

2. Recommendation

2.1 That the Board note the publication of the LHB Annual Report for FY 16/17.

LHB MEETING – 24th July 2017

Agenda Item: 16

LITTLEHAMPTON HARBOUR BOARD

Report to: Littlehampton Harbour Board

Report on: Harbour Stakeholder Group Meeting

Report by: Harbour Master

Date: 2nd July 2017

1. Context

1.1 A meeting of the Littlehampton harbour Stakeholder Group was held at the Arun Yacht Club on 4th July 2017 and was chaired by the Recreational Users Rep Mr P Bush. Minutes can be found at the Annex.

1.2 Minutes have been forwarded to the Group by email.

2. Key Points

a. The LHB Annual report for FY 16/17 was introduced to stakeholders.

b. Being the Annual Stakeholder Group meeting the meeting was conducted as a less formal “meet the board” style event. Discussions were wide ranging and benefitted from the attendance of Board members as well as Harbour staff.

3. Recommendation

3.1 That the Board note the minutes from the Harbour Stakeholder Group meeting.

**MINUTES OF A MEETING OF THE LITTLEHAMPTON HARBOUR
STAKEHOLDER CONSULTATION GROUP HELD IN THE ARUN YACHT CLUB
ON TUESDAY 4th JULY 2017**

Present: Philip Bush (LHB) – Chairman
Billy Johnson (Harbour Master)
Lee Harrison (Dep Harbour Master)
Chris Braby (LHB Treasurer)
Tom Drennan (LHB)
Karl Roberts (LHB)
Ivan Greer (LHB)
Robert Boyce (Osborne of Arun)
Mike Ingle (The Boatyard)
Chris Headon (PWC user)
Peter Nicholson (LHB Designated Person)
Terry Ellis (Littlehampton Civic Society)
Roger Elliman (AYAC)
Ivan Warren (RNLI Lifeboat Station)
Nigel Anderson (Boat Owner/Resident Mariners Quay)
Bill Chapman (Yacht LEIONA)
Joe Gibbs (Osborne of Arun)
Cllr Ian Buckland (Littlehampton Town, Arun District and West Sussex County Councils)
Vernon Parker (Littlehampton Charter Fisherman – OURJOY)
Daniel Parker (Littlehampton Charter Fisherman – OURJOY)
Nigel Draffan (Angmering Park Estate Trust)

ITEM 1 – INTRODUCTION AND APOLOGIES

The Chairman welcomed those present to the meeting. He recorded his thanks to the Commodore of the Arun YC for agreeing the use of the Club as a meeting venue. Apologies had been received from:

Emma Finnamore (Littlehampton Marina)
Stuart Fairweather (AYC)
Barry Almond (AYC)
Helen Bryett (Ship and Anchor)
John Begley (Sussex Police)
Mark Taylor (Littlehampton Yacht Club)

ITEM 2 – MINUTES OF PREVIOUS MEETING and MATTERS ARISING

The Minutes of the previous meeting held on 4 April 2017 were reviewed, all matters arising were the subject of separate agenda items.

ITEM 3 – UPDATE FROM OUTSIDE ORGANISATIONS

RNLI Lifeboat Station. Ivan Warren summarised the incidents where Lifeboats had been involved in the last period as follows:

Service calls since 4.4.17.

20.4.17. 23ft vessel loss of power towed in.

9.6.17. Windsurfer waving in distress 300 m off Felpham unable to respond as shortage of crew cancel launch passed to Selsey casualty ashore.

14.6.17. Report of dinghy alongside groyne all well as collecting stones off wall.

17.6.17 both boats launched report of 4 girls swimming after a dog all ashore stood down.

21.6.17 34ft yacht no power 6 mile South of harbour not enough water to tow into harbour decided to use following wind to Brighton marina had the cheek to say they would get Brighton lifeboat to tow them in.

24.6.17 4 m vessel broken down ¼ mile sse harbour diverted to another call.

24.6.17 Report of a person face down in the water Shoreham lifeboat and helicopter responding , casualty ashore with secam returned to original job.

25.6.17 23ft vessel broken down ½ mile off harbour towed in.

27.6.17 Requested to proceed to attend suicidal person on red bridge police in attendance person now on right side of bridge stood down.

29.6.17 7.5 m vessel anchor rope round prop towed in.

2.7.17 Dive rib 50-50 9 persons on board engine failure 1.5 mile SEE Bognor pier towed in.

11 calls.

There were no reports from other outside organisations.

ITEM 4 –ACCIDENT AND INCIDENT REPORTS REVIEW

The HM gave an update on the 5 accidents and incidents recorded since the last meeting:



Littlehampton
Accident / Incident List

All Hazard Types		Nautical Safety	Port Efficiency	Environmental Protection	Crisis Management	Personnel & Public Safety
Date	ID Code	Category				
11/05/2017	LHP4087CLO	Theft				007 of 2017 - Theft from Town Quay
08/05/2017	LHP4086REP	Members of Public				006 of 2017 - Vandalism of Long Reach Excavator
09/04/2017	LHP4085CLO	Fire/Explosion				005 of 2017 - Fire On Vessel at Dukes Wharf
07/04/2017	LHP4084ACT	Struck by moving object				004 of 2017 - I Greer Cleat Failure
02/04/2017	LHP4083ACT	Machinery (contact with)				003 of 2017 - Mayfly Entrapment
01/04/2017	LHP4081CLO	Slip, trip, fall same level				001 of 2017 - Medivac Change of Course
01/04/2017	LHP4082ACT	Fire/Explosion				002 of 2017 - Jet Stream Fire on board
17/09/2016	LHP4080CLO	Other personnel or public safety item				014 of 2016 - Yachts Crew Caught in Mooring Line
01/09/2016	LHP4079CLO	Diving Injury				013 of 2016 - Death of Diver from HUNTRESS IV
21/08/2016	LHP4078CLO	Sinking and capsizing				012 of 2016 - Motorboat Capsize
08/08/2016	LHP4076CLO	Collision ship - ship				010 of 2016 - Yacht / Final Answer
06/08/2016	LHP4077CLO	Other personnel or public safety item				011 of 2016 - Landrover slipway
30/07/2016	LHP4075ACT	Impact with Structure				009 of 2016 - Jetski Collision Marina

The HM noted that, following the incident involving a small fire on board a leisure boat moored at Pier Road, communications between HMCG, WSFRS and LHB could be improved. He undertook to take this as an action.

Nigel Anderson reported some thefts from vessels on Mariners Quay and more recently some break ins to vessels moored on same. He reported that the incidents had been reported to Sussex Police who had decided to take no further action. He asked if there was a mechanism to inform other stakeholders when these and similar incidents occurred. The HM undertook to communicate this sort of information either following an online incident report being logged or on receipt of an E-Mail.

Mike Ingle reported concerns about youngsters swimming and jumping into the harbour especially from the condemned Sea Cadets pontoons. He also asked who might be liable if anyone injured themselves whilst accessing condemned structures

ITEM 5 – CONSERVANCY ACTIVITY

The HM provided an update on conservancy activity issues.

a. Dredging.

The HM reported that some 6000 tons of material had been dredged from the harbour entrance shoal using an excavator working for the LHB and recycled along the Climping Beach front by the EA.

b. Aids to Navigation.

The HM reported that the South Cardinal mark off Goring (the responsibility of Southern Water) was still missing.

c. Environmental Protection.

The HM reported that some oil spills had occurred on 3 and 4 Jul 17. The source was being investigated by the EA.

d. Maintenance Activity.

The HM reported that LHB staff had been carrying out maintenance work on both WINDSONG and ERICA. ERICA had been taken to Shoreham to be taken out of the water.

Bill Chapman enquired at the costs of the maintenance work on ERICA and was informed that it was in the region of £2,500.

ITEM 6 – PLANT AND EQUIPMENT EXPECTED.

The HM reported that in connection with the installation of the scrubbing piles at Bridge Hard, the Walcon Wizard was expected to visit Littlehampton Harbour during mid-July.

Joe Gibbs asked if the work included a refuelling facility. He was informed that there were no immediate plans.

Robert Boyce asked how much usage was expected on the scrubbing piles, how much income was anticipated and would a charge for using them be made. The HM responded by saying that a charge would be levied but that the project was focused on providing a service to stakeholders rather than an income generation initiative.

Nigel Draffan asked what licensing permissions were required. The HM responded by saying that a MMO licence was required and as part of this licence application a Water Framework Directive assessment had been carried out by the HM to satisfy requirements laid down by the EA.

Nigel Draffan asked if the scrubbing piles were to be installed on land owned by the APE. The HM informed him that they were being installed on land leased to the LHB by WSCC.

Bill Chapman suggested that he might experience problems accessing the Scrubbing Piles on Bridge Hard due to their close proximity to the red bridge.

ITEM 7 – PUBLIC QUESTIONS

Those present were informed that following the LHB Meeting held on 12 Jun 17, a new policy had been agreed for Public Questions such that in future the Board would only accept written questions that had been submitted at least 3 working days before Harbour Board Meetings. They were further informed that a list of all questions would be published.

Robert Boyce thought that this presented as a conflict with the circulation of Board Papers which required a minimum of only 2 working days. He was informed and accepted that in practice Board Papers were normally circulated well in advance of this.

Robert Boyce then opined a view that such policies should be discussed with stakeholders before they were implemented. His comments were noted.

Joe Gibbs asked why the existing policy was changed. He was informed that the practice was widely used by local authorities and has the advantage of giving the LHB chance to research the issues raised before they were discussed in a public forum.

Robert Boyce then declared that he was taping the meeting.

In response Karl Roberts introduced himself as a newly-appointed Board Member and would be content to receive comments if it was felt that the policy was not working.

Karl Roberts also voiced concern at the announcement by Robert Boyce that he was taping the meeting without the agreement of those present. He felt that permission from all who were attending should be sought before meetings are taped.

ITEM 8 – COMMUNICATIONS

a. Local Notices to Mariners.

The HM advised that no recent Local Notices to Mariners were of note.

b. Marine VHF Frequency Changes.

Following the observation made at the previous meeting, those present were informed that HMCG Marine VHF communications giving safety information

and medical information on CH 23, 84 and 86 would be changed from Sep 17 to CH 62, 63 and 64.

c. 2016/17 Annual Report.

Those present were provided a copy of the recently-published LHB Annual Report for 2016/17.

ITEM 9 – ANY OTHER BUSINESS

a. Mooring of Untidy Vessels.

Terry Ellis commented on the untidy appearance of a Motor Yacht and Fishing Vessel on the Pier Road pontoons. He added that letters had been written to the local press.

b. Do Not Feed the Gulls Notices.

Ivan Warren asked why the Charter Fishermen had been approached to pay for Do Not Feed the Gulls Notices. Those present were informed that although the procurement of audio bird-scarers for Dukes Wharf and Pier Road had been relatively successful, some LHB mooring customers had asked that consideration be given to notices advising the public not to feed the gulls by moorings. ADC would not permit the display of such notices on the railings of the new raised flood defence section, but that after consultation with berth holders and the ADC Foreshore Office, a scheme had been offered were for a £6 contribution signs could be mounted on LHB infrastructure. Berth holders at Dukes Wharf had taken up this offer while those on Pier Road had not.

c. Public Attendance at Harbour Board Meetings.

Robert Boyce asked why members of the public were not invited to Harbour Board Sub Committee Meetings. His view that they should however in practice this had not happened and requested that the LHB Constitution be reviewed.

d. Archiving of LHB Minutes and Documents.

Robert Boyce asked when LHB Minutes and Documents were sent to the WSCC archive. He was of the view that there was no archiving schedule and asked if the LHB would review this.

ITEM 10 – ARRANGEMENTS FOR NEXT MEETING

It was agreed that the next meeting would take place on Tuesday 3rd October 2017 starting at 1800 hrs. It was hoped that the Arun YC would once again agree the use of their premises as a venue.

The Meeting closed before break out for refreshments and informal discussion with Board Members and officers.