

**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 12<sup>TH</sup> 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 20<sup>th</sup> 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 6<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 20<sup>TH</sup> 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 20<sup>th</sup> 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**