

**MINUTES OF THE MEETING**  
**OF THE LITTLEHAMPTON HARBOUR BOARD**  
**HELD IN THE COUNCIL CHAMBER AT THE ARUN DISTRICT COUNCIL CIVIC CENTRE,**  
**MALTRAVERS ROAD, LITTLEHAMPTON ON**  
**MONDAY 18<sup>TH</sup> JUNE 2018**

**Present:** Mr Philip Bush (Chairman)  
Councillor Roger Elkins (Vice Chairman)  
Councillor George Blampied  
Mr Tom Drennan  
Mr Barry Goodhew  
Mr Richard O'Callaghan  
Mr Roger Spencer  
Councillor Dr James Walsh

**In Attendance:** Mrs S Simpson, Clerk to the Board  
Mr C Braby, Treasurer to the Board  
Mr P Richards, Notes Secretary

**WELCOME & NOTICES**

The Chairman welcomed all attending.

**141 APOLOGIES**

Apologies were received from Mrs Janet Mockridge, Mr Karl Roberts and Mr Billy Johnson, Harbour Master.

**142 DECLARATIONS OF INTEREST**

None received.

**143 PUBLIC QUESTIONS**

143.1 There were 5 members of the public present.

143.2 The Clerk advised that no written questions had been received.

143.3 Mr Boyce asked that the written questions he had submitted on 9<sup>th</sup> May 2018 be answered. The Clerk advised that she was unaware of these questions and agreed to look at the them after the meeting.

143.4 Cllr Walsh reminded the Clerk that all written questions and answers should be circulated to Board Members ahead of the meeting which she confirmed was the practice that was currently adopted..

**144 TO APPROVE THE MINUTES OF THE ANNUAL MEETING OF 14<sup>th</sup> MAY 2018**

144.1 It was **RESOLVED** that the Minutes of the meeting held on 14<sup>th</sup> May 2018 (previously circulated) be approved and signed by the Chairman.

**145 TO APPROVE THE MINUTES OF THE AUDIT SUB COMMITTEE OF 14<sup>TH</sup> MAY 2018**

145.1 It was **RESOLVED** that the Minutes of the meeting held on 14<sup>th</sup> May 2018 (previously circulated) be approved and signed by the Chairman.

**146 TO RECEIVE THE MAY 2018 INTERNAL AUDIT REPORT**

146.1 The Treasurer presented the report (previously circulated) to Board Members following his presentation to the Audit Sub Committee on 14<sup>th</sup> May 2018.

146.2 He advised that several non-material observations had been recorded by the internal auditor. The observations related to the interface and download issues associated with the Sage Finance and Harbour Assist systems.

146.3 Mr Drennan asked if the prior issue relating to a £900 payment had been revisited by the internal auditor. The Treasurer advised that the Board had previously approved the closure of this matter.

146.4 It was **RESOLVED** that the report be noted.

**147 TO REVIEW AND APPROVE THE TERMS OF REFERENCE FOR DEFINING AUDIT RESPONSIBILITY IN RELATION TO FRAUD**

147.1 The Treasurer presented the report (previously circulated) to Board Members following his presentation to the Audit Sub Committee on 14<sup>th</sup> May 2018 who had recommended approval to the Board. He reported that the original Terms of Reference had been approved by the Board in 2011, however changes in circumstances since that date have suggested a revised set of Terms be approved.

147.2 He advised that several changes to IT systems, the growth of on-line customer payments and increased use of BACS transfers now require additional controls.

147.3 The Treasurer suggested that the Board cannot rely solely on the internal audit to address issues of fraud. He referred to the management of risk and highlighted several key areas indicated in his report. The collection of cash remains the highest risk however the introduction of new processes and procedures relating to the interface between Harbour Assist and the Sage financial system have improved accuracy and efficiency.

147.4 Separation of Duties was referred to by the Treasurer as a key issue which must ensure clear lines of responsibility and guidance to staff. Given the size of the current operation, such separation of duties is difficult to achieve but the Treasurer advised that he is carrying out checks on petty cash, banking and payroll to ensure compliance.

147.5 Cllr Walsh referred to the risk related to cash handling and what controls were in place to mitigate this risk. The Treasurer reported that revised systems and controls are now in place that effectively reduce this risk compared to past procedures.

147.6 Mr Drennan enquired as to how many other Harbours were using the Harbour Assist IT system and have they reported similar interface problems to that of the Board. The

Treasurer advised that the system is in use in other Harbours and they have also reported similar issues. He advised that these issues have been reported to the supplier who has been responsive in fixing the problems.

- 147.7 Cllr Elkins requested that the Treasurer update the Board at the next meeting with how the Harbour Assist supplier has responded to these issues. The Treasurer agreed to do so. It was **RESOLVED** that

**The review be approved and that the new Terms of Reference be adopted.**

**148 TO APPROVE THE 2018/19 AUDIT PLAN**

- 148.1 The Treasurer presented the Audit Plan (previously circulated) to Board Members following his presentation to the Audit Sub Committee on 14<sup>th</sup> May 2018 who had recommended approval to the Board. He advised that the emphasis of the audit is on the management of risk and that the Board and their officers could request additional checks where necessary. It was **RESOLVED** that

**The 2018/19 Audit Plan be approved.**

**149 REVIEW, ADOPTION AND SIGNING OF THE 2017/18 ANNUAL GOVERNANCE STATEMENT (SECTION 1)**

- 149.1 The Treasurer presented the Statement (previously circulated) to Board Members. He reminded the Board that they must approve the Statement by answering the eight questions posed in Section 1. This must be approved before the signing the annual statement of accounts at Section 2.

- 149.2 The Treasurer advised that all 8 questions had been answered as “Yes” ensuring that there is a sound system of internal control. He advised that, at the time of writing the report, he had prepared a statement to address the contingent liability issue relating to question 7. This issue has now been resolved and it was **AGREED** that recommendation (b) be removed and that recommendation (c) be renamed recommendation (b). It was **RESOLVED** that: -

- (a) The Board confirms that to the best of its knowledge and belief, with respect to the accounting statements for the year ended 31<sup>st</sup> March 2018, they have complied with all 8 items; and**  
**(b) That the Chairman and the Clerk are authorised to sign Section 1 the Annual Governance Statement 2017/18 to confirm the Board’s approval.**

**150 HARBOUR OPERATIONAL REPORT**

- 150.1 The Harbour Master had given his apologies for the meeting and was not available to present his report (previously circulated). The Chairman advised on the following updates since the report was written: -

- Aids to Navigation – the wreck will be recovered on 18<sup>th</sup> June 2018; and
- News – the planned Newhaven rally had been cancelled due to weather conditions.

- 150.2 Mr Drennan requested an update on the outcome of the reported speeding incident. The Chairman agreed to ascertain the relevant details and email Board members with the outcome.

150.3 The Chairman confirmed that the relevant Consents had now been issued. It was **RESOLVED** that:

**The contents of the Harbour Operational Report be noted.**

## **151 TO APPROVE AND ADOPT THE 2017-18 STATEMENT OF ACCOUNTS.**

151.1 The Treasurer requested that the Board approve the 2017-18 Statement of Accounts (previously circulated) together with Section 2 of the 2017/18 Annual Governance and Accountability Return. He advised that the Contingent Liability issue referred to in the foreword to the accounts under the note on the challenge to the pontoon harbour dues, and Note 5 to the Accounts on contingent liability will need to be amended to reflect the fact that a settlement had now been reached with the Claimants on the matter of the pontoon harbour dues at the sum charged to the Accounts..

151.2 The Treasurer advised that the income and expenditure analysis presented in his report remained unchanged from that presented previously to the Board. The Balance Sheet was reviewed and variances to the previous year were explained to Members. He advised that: -

- Creditor liabilities have increased in the year due to a provision being made to reflect the recent £42,000 agreed settlement with claimants in respect of the challenge to pontoon harbour dues;
- Reserves had been reduced due to the significant legal costs relating to the challenge to the pontoon harbour dues. Earmarked reserves had been removed as a result of the year's deficit. .

151.3 Cllr Walsh queried the ownership of the flood defence assets and suggested they were owned either the Environment Agency or Arun District Council. The Treasurer agreed that the Board disputes ownership of these assets but it has yet to be agreed who does.

151.4 Mr Drennan referred to the reported shortfall in the General Reserves and asked if a process had been put in place to recover the loss. The Treasurer advised that the Board would need to approach the precepting authorities with regard to this matter. He suggested that the shortfall could be addressed later in the new financial year. It was **RESOLVED** that:

- (a) **The Board approve and adopt the Annual Statement of Accounts for the year ended 31<sup>st</sup> March 2018 subject to the agreed amendment to note 5; and**
- (b) **The Board approve and adopt Section 2 of the 2017-18 Annual Governance and Accountability Return and authorise the Chairman to sign it on behalf of the Board.**

## **152 TO RECEIVE AND UPDATE ON THE IMPLEMENTATION OF GDPR**

152.1 The Treasurer presented a verbal update on behalf of the Harbour Master with regard to matters progressed to date.

152.3 The Treasurer advised that a revised Privacy Notice has now been uploaded onto the Board's internet site and that the Harbour Assist IT system is GDPR compliant.

152.4 Mr Spencer referred to the issue of Board email addresses. The Treasurer advised that this has yet to be resolved and that in due course all Board Members would receive a new Board email address. It was **RESOLVED** that

**Board Members be assigned a personal Board email address.**

**153 CONFIDENTIAL AND EXEMPT BUSINESS**

153.1 It was **RESOLVED** that:

**Due to the confidential nature of the following item(s) 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.**

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

**154 MINUTES OF THE CONFIDENTIAL & EXEMPT BUSINESS FROM THE MEETING HELD ON 14 MAY 2018**

It was **RESOLVED** that the confidential and exempt minutes of the meeting held on 14 May 2018 (previously circulated to Members of the Board only) be confirmed as a true record and signed by the Chairman.

**155 OLD CUSTOMS HOUSE**

It was **RESOLVED** that

**The Board delegate approval to the officers, Chairman and Vice-Chairman to progress matters relating to the Old Customs House subject to Members being updated as to progress.**

**156 THE APPOINTMENT OF AN INTERNAL AUDITOR FOR 2018/19**

It was **RESOLVED** that

**The Board accept the Audit Sub Committee recommendation that Ms Hall is retained in her role as Internal Auditor for 2018/19.**

**157 VERBAL UPDATE ON THE RECRUITMENT OF A NEW CLERK AND DEPUTY HARBOUR MASTER**

It was **RESOLVED** that

The Board delegate approval to the officers, Chairman and Vice-Chairman to progress matters relating to the staffing and that Members be updated as to progress.

**158 VERBAL UPDATE ON THE LEASE WITH ANGMERING PARK ESTATE**

It was **RESOLVED** that

**The Board proceed to finalise the lease with Angmering Park Estate.**

**159 LEASE ARRANGMENTS WITH TARMAC**

It was **RESOLVED** that

**The Board approve the recommended increase to the rent on the lease with Tarmac for the occupation of Railway Wharf for the next 5 years.**

\_\_\_\_\_ **CHAIR**