

Northern Ireland Fishery Harbour Authority

Audit Risk and Assurance Committee Meeting

on

Monday 5 December 2022 at 10.00am

at Head Office, Downpatrick

Present:	David Knott – ARAC Chair Harry Wick – Board Member Kate Burns – Board Member (Teams) Lynn Gilmore – Board Member
In attendance:	Kevin Quigley – Chief Executive Belinda McCaughey – Accounts Administrator
DAERA Sponsor Branch (Observer)	Paddy Griffin (Teams)
DAERA Internal Audit	Eveline Doherty (Teams)

	Action
1. Welcome and Apologies	
David welcomed all to the meeting.	
2. Declaration of Interests	
David invited all to declare any interests they may have. Kevin explained the need for this and the possible requirement to leave the room if a conflict is present. David spoke of the Register of Interests that is to be completed annually and requested speedy completion of the form. Belinda advised that the link to the form had previously been circulated but will be circulated again. Also noted that whilst the form must be completed annually it should also be updated during the year should any changes occur.	
3. Minutes of the meeting held on 8 September 2022	
Minutes were agreed - formally approved by Lynn and seconded by Harry.	
4. Matters Arising	
Linda Lowe forwarded the draft engagement plan to Alan McKeown – Interim Chair of NIFHA Board.	

	Action
<p>All proposals with regard to the Risk Register were taken to the Board meeting on 3 October 2022.</p> <p>Lynn provided information on foreign crewing levels after the last meeting.</p> <p>All other matters arising are on the Agenda.</p>	
<p>5. Risk Register</p>	
<p>Kevin spoke to the proposed changes on Risk Reporting. Three documents will be brought to future ARAC meetings – a detailed Risk Register, an Evidential Support Document and an Executive Summary for approval and presentation to the Board.</p> <p>Kevin confirmed this is a work in progress and only the first draft. The support document is new and will aid the Executive in maintaining the Register – an additional column will be added detailing the previous and current status.</p> <p>The previous 25 risks have been reviewed and consolidated under 15 headings.</p> <p>Kevin discussed each of the 15 risks in detail.</p> <ol style="list-style-type: none"> 1. Corporate Governance 2. Spending Constraints 3. Budget Outturn 4. MSMS 5. HSMS 6. Recruiting and training staff 7. Staffing Levels 8. IT 9. Industry Regulations 10. Capital Projects 11. Environmental 12. Stakeholder engagement 13. External Threats 14. Abandoned Vessels 15. Dredging <p>The Committee discussed each of the risks and suggested changes.</p> <p>In particular it was decided to combine the following risks:</p> <p>Risks 6 & 7 – People and resourcing / Organisational Capabilities</p> <p>Risks 9 & 13 – Changes in Industry Landscape / Geo Political</p> <p>The Committee also discussed the assessment of risks into Low – Very High categories and what constituted each level. Kevin will provide a written summary to the Risk Grid for the next meeting in February.</p>	<p>Kevin</p>

	Action
<p>David confirmed this is an evolving process and thanked the Executive for the work to date.</p> <p>A legend will be added as a key for the Trend arrows.</p> <p>The register will also include a table referencing the 4 Outcomes from the Corporate Plan</p> <p>Risks 6/7 - Kevin advised the Committee that invitations to tender for HR services will proceed later this week with a view to appointment in January 2023. This is unusual in that much of the preparatory work has already been carried out. Hopefully an 8 week turnaround can be achieved. If all goes to plan changes could be in place early in the Summer of 2023.</p> <p>Risk 14 - Kevin advised that a contract has been awarded for dismantling and removal of the Enterprise from Kilkeel Harbour.</p> <p>Kevin asked Committee to review the risk information and provide any further comments directly to him.</p> <p>The Committee discussed the level of information contained within the Risk Register Executive Summary; this was considered to be appropriate.</p> <p>David confirmed his report to the next Board Meeting will include details of the strategic risk review and proposals to change the Risk Register with the separate documents attached for information purposes only.</p>	<p></p> <p>Belinda</p> <p>Belinda</p> <p></p> <p>ARAC Committee</p> <p>David</p>
6. Risk – Fleet Crewing	
<p>Harry updated the Committee on the current situation with regard to foreign crew, visa requirements and the 12 nautical mile limits.</p> <p>Visa changes will affect the majority of vessels in the Northern Ireland fleet.</p> <p>Harry also explained the 2 potential options available to vessel owners and the issues with each.</p> <p>From 1 April 2023 all foreign crewed vessels may by necessity have to fish outside the 12 mile limit. This will result in highly concentrated fishing in certain areas and the outcome for NIFHA in terms of landings is hard to predict.</p> <p>The mood in all three harbours is gloomy. Kevin noted we traditionally do not budget a lot of income in the last quarter but that we are currently also taking a huge hit with electricity prices.</p> <p>Harry stressed that industries within DAERA’s remit were not really joining up to tackle these problems – it would be beneficial if farmers, etc could lend their support. Paddy will address this where he can.</p>	

	Action
<p>Kevin confirmed NIFHA have no guarantee of Grant in Aid for 2023/24. We are already a lean organisation and staff is our biggest cost. However, we do hope to move out of requiring Grant in Aid for the last 2 years of our Corporate Plan.</p> <p>Board will have to take a call on our income levels going forward.</p>	
7. Policies	
<p>David introduced the policies and noted that an overview was required by the Committee.</p> <p>Belinda gave a brief introduction to the policy list and its draft status.</p> <p>There is a requirement to have a procedure in place for Policy Review. Kevin and Belinda will work on this for the next meeting.</p> <p>The policy list will be reviewed and updated for the next meeting. Owner column required together with a comment column to note why review is overdue.</p>	<p>Kevin / Belinda</p> <p>Belinda</p>
8. MSMS External Audit Recommendations	
<p>Kevin covered the recommendations and observations from the external audit.</p> <p>At the last Board Meeting the Harbour Order was put on hold for review. Kevin has since discussed this with Alan McKeown and a letter will be sent to Owen Lyttle.</p> <p>Issue over having a separate DP. Kevin currently fulfils this role as it has been hard to segregate due to being such a small organisation.</p> <p>David discussed the options for moving this forward and confirmed that a Board Member or in fact the ARAC Committee could carry out this role. After a full discussion David advised that he would be prepared to fulfil the DP role subject to this being acceptable to the Board (as Duty Holder). The Committee has asked him to consider this fully and bring his recommendations to the next ARAC meeting.</p> <p>There is a need to clarify which Board members have completed the Port Marine Safety Duty Holder Training Course. Kevin will check with Rosemary Scott and further training to be scheduled as required.</p>	<p>Kevin / Alan McKeown</p> <p>David</p> <p>Kevin</p>
9. HSMS Update	
<p>Kevin advised the Committee of an incident reported during the Ardglass Stakeholder meeting, nothing further to report.</p>	

	Action
<p>10. Internal Audit 2021/22 Recommendations Update</p>	
<p>Kevin discussed the five recommendations.</p> <p>In particular there is a need to document the Abandoned Vessels Policy. Evelyn confirmed that a procedure around treatment of these vessels is required as there is no current regulation to deal with it.</p> <p>Paddy confirmed there was a meeting scheduled for next week with DAERA. Previous meeting with DSO was not well attended and not productive.</p>	Kevin
<p>11. HR Capacity Issues</p>	
<p>Kevin confirmed that the Senior Management Team, and in particular Belinda, are severely overworked.</p> <p>Belinda is covering for staff who have either left or are no longer carrying out their duties. Harbour Master training for local admin tasks will take place early in 2023 to ease this burden.</p> <p>The Corporate Plan included a new staff member to aid in the workload but as this has still not been approved nothing will happen prior to year end.</p> <p>The three Harbour Masters and Environmental Officer are working well.</p> <p>Pay remains a major issue with most staff. No pay increases forthcoming yet this year.</p> <p>Kevin noted that there is a high probability that one member of staff will leave Ardglass early in Jan 2023 - Kilkeel may also lose staff.</p> <p>Recruitment is currently underway to replace the Health and Safety Admin Officer with appointment scheduled for Jan 2023.</p> <p>Paddy offered help from DAERA that may be available even though the Corporate / Business Plan is still not approved. He is very sympathetic to the pressures on Belinda and Kevin.</p>	Paddy
<p>12. Minutes of Accountability Meeting</p>	
<p>Kevin confirmed there had been a further Accountability Meeting since the meeting on 26 May 2022 and noted it was a good, engaged meeting. Discussions were robust and a lot of ground was covered. Minutes to follow when available.</p>	
<p>13. Any Other Business</p>	
<p>Post Project Reviews – Kevin discussed the need to fully implement any lessons learnt when reviews are carried out.</p> <p>Defamation Case – Kevin advised he has withdrawn the defamation case with a view to going down the mediation route.</p>	

	Action
<p>Harry asked that we pass on the Committee’s congratulations to Jenny on her good news and wish her all the best. David also congratulated Kevin and Jenny on NIFHA being recognised as one of the top 3 performing smaller organisations in the recent Business in The Community Annual Environmental Benchmarking Survey.</p>	
<p>14. Date and location of next meeting</p>	
<p>Thursday 16 February 2023 @ 1pm – 4pm in Downpatrick.</p>	