

Northern Ireland Fishery Harbour Authority

Finance and General Purposes Committee Meeting

In Head Office, Downpatrick

Tuesday 28 February 2023 at 10am

Present:	Alan McKeown – Chairperson Kevin Quigley – Chief Executive David Knott – Board Member Lynn Gilmore – Board Member
In attendance	Belinda McCaughey – Accounts Administrator David Lindsay (David L) – Project Manager – For item 10 only

	Action
1. Welcome & Apologies	
Alan welcomed all to the meeting, Apology received from Davey Hill.	
2. Declaration of Interests	
None declared.	
3. Minutes of Meeting held on 6 September 2022	
Minutes were agreed.	
4. Matters Arising	
<p>Belinda confirmed there were pelagic landings in October. These have since been included in the accounts.</p> <p>Belinda discussed comparison prices received from previous electricity supplier. Whilst electricity prices have increased dramatically our current supplier is still providing the best costing at this time.</p> <p>Kevin confirmed the Fire Training Facility will only progress when all necessary consents have been received.</p> <p>All other matters arising will be covered on todays agenda.</p>	
5. 2022/23 Management Accounts and Cash Position	
<p>Accounts were provided for 9 months ended 31 December 2022. Kevin discussed details of Income and Expenditure. In particular he noted:</p> <p>Kevin noted good landings and strong prices in the summer has resulted in very good turnover to date.</p>	

	Action
<p>On the expenditure side insurance up due to increase to asset portfolio. Kevin noted the loss of our insurance representative, Stephen Skelly. He has moved to a rival company and will be greatly missed.</p> <p>Environmental expenditure (which is subject to grant funding) has resulted in the £15k increase in sundry expenses.</p> <p>Kevin also noted that Professional Services includes a provision for Insurance Excess and £11.5k in respect of hydrographic surveys and sediment analysis. Since the Covid pandemic Samples have had to be sent to England for testing resulting in these higher than normal costs. Going forward usual channels have re-opened which should lower prices.</p> <p>Kilkeel Harbour has seen a marked increase in waste charges. Since the return of the harbour master there has been a campaign to tidy up the harbour.</p> <p>Standing charges for Water in Portavogie are considerably higher than other harbours due to pipe sizes in Portavogie.</p> <p>Balance Sheet Reserves. Kevin talked to the figures and the comparison of assets to liabilities.</p> <p>Alan asked if going forward a half page summary could be provided with the accounts.</p>	Kevin
<p>5. Current Forecasts</p>	
<p>Kevin confirmed that figures are based on the budget for the full year updated as each month progresses. This is important as results determine where cash is going to be allocated to. DAERA require this information on a monthly basis.</p> <p>Kevin discussed the adjustments to the budget figures. In particular the following was noted:</p> <p>Grant in Aid drawdown is now sitting at £271k and there may not be another drawdown in this financial year.</p> <p>Income may be better than we anticipated at year end – could be as high as £1.5M</p> <p>Vessel dismantling may not be £150k forecast. It may be as low as £70k. Kevin discussed progress with Portavogie site and the tight deadlines to which we are working. We do have a waste management facility licence in place. Additional information requested by planning service will be with them by the end of this week.</p> <p>The Pay and Grading Review currently taking place will look at the affordability of any recommendations made.</p> <p>Cash Flow Forecast. Grant in Aid may not be drawn down but ultimately the closing balance at year end should be between £500k and £600k.</p>	

	Action
<p>Timing of grants may be an issue. Kilkeel Fishmarket final costs still needs to be settled.</p> <p>A review will be carried out in March and this forecast updated.</p>	
7. Aged Debtors	
<p>Belinda updated the committee on the issue which arose at the Portavogie Stakeholders meeting.</p> <p>Debtors have slipped slightly and we are working at pulling this back.</p>	
8. Dues and Charges for 2023/24	
<p>Alan discussed the proposals contained in the Pack.</p> <p>The presentation and rationale behind the increase in dues needs to be revised. It is imperative that we are seen to be doing everything in our remit to move out of the Grant in Aid funding position.</p> <p>Kevin and Belinda will provide a rationale behind each of the cost uplifts.</p>	Kevin/ Belinda
9. 2023/24 Budget	
<p>This Agenda item was deferred until rational behind the Dues and Charges increases are provided – see Item 8.</p> <p>An additional meeting will be arranged before the next Board Meeting to discuss and approve the Dues and Charges and 2023/24 Budget.</p>	Alan/ Kevin
10. Capital Project Spend Update	
<p>David L joined the meeting for this agenda item.</p> <p>Capital and Minor Works Update was handed out as this had been omitted from papers. In future Belinda will ensure this paper is included in the Finance Pack.</p> <p>David L discussed the current position with our projects. In particular:</p> <p>Kilkeel Fish Market – DAERA have given extended funding on this project. Substantially complete – snagging at moment. David L discussed final costs and issues around this.</p> <p>FSDP – tender process is now complete.</p> <p>Parkgate Site – Still awaiting water connection. Everything else is complete.</p> <p>Ardglass pontoons – this application was completed on time. Key issue is that all additional information needs to be provided by 17 March 2023. Closing date for tenders is 9 Mar 2023 so actual figures should be available to submit.</p>	Belinda

	Action
<p>Clarifications have centred around Risk Transfer. David L discussed the details of this. David L asked and Alan confirmed that in the context of grant funded project financing where budgets are fixed, NIFHA’s Risk Appetite on capital projects is Zero.</p> <p>Portavogie Cradle Procurement will not report until late summer/early autumn. This will result in estimates being used for submission of additional information. This project does not have the same degree of risk attached to it.</p> <p>Portavogie Bridge Pier Strengthening – David L discussed way forward with this. Grant Funding window will not open until mid / end of June 2023. May be a possibility of spreading the grant over 2 years instead of 1.</p> <p>Emerging Issues – Sediment contamination in both Kilkeel and Portavogie harbours.</p> <p>There may be a long term risk over sea disposal of dredged material. Land based disposal will be highly offensive and very expensive. The Committee discussed the ramifications if this route had to be taken.</p> <p>Kevin noted that if DAERA ran a decommissioning scheme under the green initiative this may remove the older vessels which have the contaminated paint.</p> <p>Capital Works Review – a prioritisation exercise is underway to identify the preferred projects going forward. This will be brought to the June Board Meeting.</p> <p>David L also noted that the contract for our Consultant Engineers is due for renewal in 2024 – renewal of this with CPD can take up to 1 year so will need to commence process shortly.</p> <p>Alan commended work on the Capital Projects – Total spend on this round of funding c. £6m with cost to the Authority of only 3%.</p>	
<p>11. Estate Management and Development</p>	
<p>Kevin discussed current estate issues across all three harbours.</p> <p>In Ardglass the proposed Net Store Roofed Facility will not proceed at this time.</p> <p>In Kilkeel “<i>O So Lean</i>” – a local ready meals manufacturer, are looking to expand into the production of seafood meals. The vacant processing factory owned by Hennings would be ideal for this. They are seeking confirmation from the Authority that mixed use of the building will be permitted before they purchase same. Permission was granted subject to Board approval.</p> <p>Rooney Road Site. Previous permission was granted to run a storm drain across this site. This is moving forward and the developer has been advised that a formal wayleave will be required and costs will be met by him.</p>	Board

	Action
<p>Parkgate site in Portavogie. Not all compounds have been let. Alan requested that these should be advertised as soon as possible.</p> <p>Kevin confirmed that EHO have no issues with the placement of the proposed Fire Fighting structure on Princess Anne Road, Portavogie.</p>	Kevin
12. Any Other Business	
<p>Kevin advised the meeting that there had been no applications for the post of Deputy Harbour Master in Kilkeel. Many staffing issues in Kilkeel.</p> <p>Pay and Grading structure review is progressing with external company. Evidence is being gathered on pay rates for similar posts.</p>	
13. Date of Next Meeting	
This will be determined at the Board Meeting on 14 March 2023.	