

# Northern Ireland Fishery Harbour Authority

Finance and General Purposes Committee Meeting

In Head Office, Downpatrick

**Friday 02 June 2023 at 10am**

<b>Present:</b>	Alan McKeown – Chairperson Kevin Quigley – Chief Executive Davey Hill – Board Member David Knott – Board Member Lynn Gilmore – Board Member (Teams)
<b>In attendance</b>	Belinda McCaughey – Accounts Administrator David Lindsay (David L) – Project Manager – For item 9 only

	Action
<b>1. Welcome &amp; Apologies</b>	
Alan welcomed all to the meeting. No apologies	
<b>2. Declaration of Interests</b>	
None declared.	
<b>3. Minutes of Meeting held on 28 February 2023</b>	
Minutes were agreed.	
<b>4. Minutes of Meeting held on 10 March 2023</b>	
Minutes were agreed.	
<b>5. Matters Arising</b>	
<p>Kevin confirmed an advertisement has been designed to promote the remaining unlet compounds in Portavogie. This will shortly go to press.</p> <p>Kevin spoke to the Committee about the issue raised at the Ardglass Stakeholders meeting with regard to the vessel moving to facilitate the pelagic landings.</p> <p>Kevin confirmed that the sampling in Kilkeel to obtain a dredging licence has been sourced at a lesser costs. Initial results are back which show no TBT. Awaiting confirmation of licence approval.</p> <p>All other matters arising will be covered on todays agenda.</p>	

6. 2022/23 Management Accounts and Cash Position	Action
<p>Accounts were provided for year ended 31 March 2023. Kevin discussed details of Income and Expenditure. In particular he noted turnover was much better than budgeted although expenditure remained high.</p> <p>Kevin took questions on the papers supplied.</p> <p>Davey confirmed that strong market prices had supported revenues, which will hopefully continue into 2023/24.</p> <p>Alan updated the board that the outlook on crewing issues looked a little brighter with experienced crew having been added to the Short Occupation List meaning that foreign national workers can come to the UK based on a 20% lower salary threshold (£20,960 instead of £26,200) and a reduction in visa fees and English language requirements. Attracting resource is likely to remain a high priority to monitor over the year ahead.</p> <p>Alan thanked Belinda and Kevin for the new summary narrative to support the accounts and asked the future notes could include details of any large variances to pre-empt any queries the committee and board might have on the accounts. Belinda will ensure this happens for next meeting.</p> <p>Alan noted the high level NIFHA accounts summary did not match the revised presentation format agreed in the corporate plan and queried whether exceptional costs such as decommissioning should be contained within the Operating Accounts as these were not normal expenditure and under or over spend in these areas skews the variance analysis.</p> <p>Kevin will amend the Summary in the CEO Report for the Board Meeting to reflect these changes.</p> <p>The Committee discussed decommissioning not being a statutory operation of the Authority. Davey recommended that DAERA licencing should be requested to amend the terms of the fishing license to place an obligation on license holders to properly dispose of a vessel after it has reached its useful life.</p> <p>Kevin will write to DAERA to communicate this issue. This will be taken to Board Meeting at the end of June to confirm.</p> <p>Kevin and Belinda confirmed there have been no issues raised by customers in relation to the revised pricing effective from April 2023.</p> <p>Alan raised a query on the high variance in Portavogie electricity to budget (82%) compared to the overall NIFHA average (54%). Belinda explained this was due to Portavogie's historic optimal use of night time tariffs which were no longer available.</p> <p>Kevin confirmed Ice Sales tonnages are reducing due to new vessels into the harbour having on board Ice making machines.</p>	<p>Belinda</p> <p>Kevin</p> <p>Kevin</p>

	<b>Action</b>
<p>Alan queried issues over Capacity v's Demand for Ice having observed that all three ice plants were full of ice during his end of season visits last October with little information available on forecast demand from customers.</p> <p>As one of NIFHA's highest energy costs and carbon footprint this should be an area for future focus. After a brief discussion it was decided that Ice Plant Cost summary will be brought to the meeting in September.</p> <p>Lynn commented on the Good News stories within the harbours this year – Kilkeel Harbour of the year and delivering £2m of capital works in 2022/23. This needs to be communicated to our Stakeholders.</p> <p>Kevin will create a new slide for the next stakeholder meeting to be held in Kilkeel later in June.</p> <p>Kevin has updated staff of our achievements and confirmed DAERA are also aware of these.</p> <p>Debtors – Good landings have ensured bills are being paid on time.</p> <p>Kevin also suggested that visits to other harbours may have to be postponed – hard to justify expenditure on this at the moment. Alan advocated that at this time these visits were very important to inform NIFHA's strategy and market context and that the action should carry – the costs are not extravagant and other budgets can be reviewed to ensure Kevin can undertake strategic actions requested by the board.</p>	<p>Belinda</p> <p>Kevin</p> <p>Kevin</p>
<b>7. Forecast – 2023/24</b>	
<p>Kevin discussed the Forecast provided with the papers.</p> <p>If improved landings and prices continue this will ease our deficit forecast.</p> <p>Kevin has confirmed DAERA have still not approved the 2023/24 Business Plan. We recently completed a monitoring round to reflect our budget position. Minor works will be on hold until monies are confirmed.</p> <p>GIA allocation at the moment is only £100k</p>	
<b>8. Draft Statutory Accounts – year ended 31 March 2023</b>	
<p>Belinda confirmed external Auditors are happy that the management accounts reflect a true and fair picture of the year.</p> <p>There will be no significant changes – just the statutory entries for Accounting Standards and taxation. Alan expressed thanks to Belinda on behalf of the subcommittee and the board for an issue free audit.</p>	
<b>9. Budgetary impact of grant rule changes and enhanced regulatory engagement</b>	
David L. joined the meeting for this Item and Item 10.	

	Action
<p>Project budgeting continues to become more complicated. DAERA are constrained by grant Scheme Rules which increasingly require more scoping and pricing work to be done upfront which is a cost NIFHA cannot recover from the grants. If NIFHA cannot afford the upfront costs of a project we may have to delay its implementation.</p> <p>Kevin confirmed he and David L have met with Ronnie McBride from DAERA Grants teams and are actively working on a solution to these issues.</p> <p>In the short term if we are required to fund the upfront costs of a project this can come out of our Minor Works Budget.</p>	
<p><b>10. Capital and Minor Works</b></p>	
<p>Kevin advised that the Workboat certificate has been removed from the Kilmourne. A new stability test is now required costing £5k and architect fees are likely to be in the region of another £5k. This needs to be resolved by July as the current temporary certificate runs out then. The new proposed certification will take us out of MECAL.</p> <p>The Committee discussed in detail the issues with the dredger licencing on two fronts – 1/ the risk of a gap between the current temporary certificate expiring and a new certificate being issued; and 2/ the risk of a small operating window under the current license being eroded whilst we await DAERA approval to dredge having already submitted the sample results which show no TBT issues. Kevin explained there are also difficulties maintaining the cost of the dredger crew when the dredger is currently unable to operate. Alan asked if any further advice was needed from the committee or board to support the executive.</p> <p>Kevin confirmed he will work on dredger contingency plans and will see what help we could receive from DAERA with regard to expediting the dredger licence.</p> <p>David L confirmed the Kilkeel Fish Market Project is complete.</p> <p>Portavogie Slipway Enhancement Project has passed the DEFRA assessment and diligence checks are due to be carried out next week.</p> <p>Portavogie Bridge Pier Strengthening – Proceeding.</p> <p>Emerging Issues – Power Supplies to Vessels. David L discussed this and the need to review where funding may come from in 2-3 years. Usual channels will not suffice for the level of monies required.</p> <p>The new Climate Change regulations come into force in March 2025. We will need to report on these from that date.</p> <p>Kevin confirmed that with regard to climate change interventions, DAERA see the next 3 years focusing on research and costing of potential solutions to gather the information needed to make appropriate investment decisions.</p>	<p>Kevin</p>

	Action
<p>NIFHA currently do not have a baseline carbon budget at the moment. Kevin and Belinda will work with Jen (Environmental Office) to commence gathering this information.</p> <p>The committee discussed the issues around green projects and the need to actively research this. Davey noted that whilst alternative vessel propulsion is interesting, it is important not to overlook what is already actually available to use e.g.: Bio Diesel.</p> <p>Lynn commented on the Seafish Vessels of the Future Forum. Kevin and David L confirmed they had attending online meetings already. Alan asked if Lynn could send him a link to the information.</p> <p>David I noted that for future capital funding (new MFF) the NI Executive may have to give their approval.</p> <p>Additional monies under the existing scheme has become available – but must be spent by December 2023.</p> <p>David L detailed the projects which could be completed within this tight deadline. Namely:</p> <ul style="list-style-type: none"> <li>• Funding for Project Manager</li> <li>• Funding for Environmental Officer</li> <li>• Portavogie Pier Tip Repair</li> <li>• Ardglass Fish Market Welfare Facilities</li> <li>• Ardglass Fish Market Solar Panels</li> <li>• Kilkeel harbour Workboat</li> <li>• Ardglass and Portavogie Waste Management Upgrade</li> <li>• Ardglass and Portavogie Quay Edge repair (around 250m)</li> </ul> <p>Projects will have to be put out to CPD . David L will obtain prices and apply for grants.</p> <p>Kevin confirmed that the policy for the prioritisation of Capital Works Projects is currently on the Agenda for this afternoon’s ARAC meeting. Having such a tight deadline to spend these monies will not necessarily be within this policy.</p> <p>FSDP – monies may be available to move this project forward in 2023/24. A further update will be provided at the June board meeting.</p>	<p>Lynn</p> <p>Kevin</p>
<p><b>11. Estate Management and Development</b></p>	
<p>Kevin discussed current estate issues across all three harbours.</p> <p>Rooney Road site in Kilkeel – with the FSDP proceeding this area may prove to be prime space and a proposed land swap may not be appropriate. To take to Board meeting for decision.</p> <p>Colin Taggart factory – Mapping has taken place. We do not have sight of these yet. Kevin to progress.</p>	<p>Board</p> <p>Kevin</p>

	<b>Action</b>
<p>The Committee discussed the full list of estates management matters and determined which items would no longer need to be reported on. Belinda will remove the approved items from the list.</p> <p>A site on Princess Anne Road in Portavogie is currently leased by Emerald Mussels and there has been a request from the tenant to terminate the lease early. After a discussion it was determined that the matter will be taken to the Board for approval to move forward.</p>	<p>Belinda</p> <p>Board</p>
<b>12. Any Other Business</b>	
<p>Kevin confirmed Unite the Union have been in touch with regard to representing the hourly paid staff at the harbours. A meeting with Kevin has been scheduled for June. Information gathered will be brought to the June Board Meeting for a decision on how to proceed.</p> <p>Kevin has updated the staff on the current stage of the process.</p>	<p>Board</p>
<b>13. Date of Next Meeting</b>	
<p>This will be determined at the Board Meeting on 29 June 2023.</p>	