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17 June 2024

CHICHESTER HARBOUR CONSERVANCY

A Meeting of the **Chichester Harbour Conservancy** will be held at **4.30pm** on **Monday, 24 June 2024**, to be at County Hall, West Street, Chichester. PO19 1RG.

Matt Briers CBE

CEO

AGENDA

1. Welcome and Apologies

2. Declaration of Interests

Members and officers are invited to make any declarations of personal or prejudicial interests that they may have in relation to items on the agenda and are reminded to make any declarations at any stage during the meeting if it then becomes apparent that this may be required when a particular item or issue is considered.

3. CHC Standing Orders and Financial Regulations 2024

To consider changes to the CHC Financial Regulations recommended by the Treasurer and CEO. (deferred)

4. Annual Governance Statement 2023/24

To consider the annual governance statement and internal audit report from the Finance Manager and CEO. (page 1)

5. Final Accounts 2023/24

To consider the report of the Finance Manager and the CEO on the Final Accounts for the year ending 31 March 2023. (page 18)

6. Code of Conduct 2024

To review and approve the members code of conduct (page 37)

Conservancy members: Iain Ballantyne, Jackie Branson, Ann Briggs (Chairman), Andy Briggs, Gillian Harris, Jeremy Hunt, Donna Johnson, Stephen Johnson, Robert Macdonald, Pieter Montyn, Sarah Payne, Roger Price, Lance Quantrill, Simon Radford, Alison Wakelin.

CHICHESTER HARBOUR CONSERVANCY

ANNUAL GOVERNANCE STATEMENT 2023-24

Report by the Finance Manager & CEO

1.0 Background

- 1.1 The Conservancy is categorised as a 'smaller relevant body' under the terms of the Accounts and Audit Regulations (England) 2015. As such, the Conservancy is required to submit an Annual Governance and Accountability Return (AGAR).
- 1.2 The Conservancy is required by the Accounts and Audit Regulations to conduct an annual review of the effectiveness of its system of internal control. This informs the Annual Governance Statement in Section 1 of the Annual Governance and Accountability Return.
- 1.3 To facilitate this, details of the Conservancy's governance framework are presented to members in the form of a detailed Annual Governance Statement, in the format employed by the Conservancy under the previous audit regulations and attached as Appendix 1.
- 1.4 The findings of the latest review by Internal Audit are attached as Appendix 2 to this report. The Conservancy is asked to review and approve the Conservancy's governance framework.

2.0 Recommendation

- 2.1 That the Conservancy approves the Annual Governance Statement for 2023-24.

Mel Belderson
Finance Manager

Matt Briers
CEO

ANNUAL GOVERNANCE STATEMENT

Scope of responsibility

Chichester Harbour Conservancy is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the Conservancy is also responsible for putting in place proper arrangements for the governance of its affairs which facilitate the effective exercise of the Conservancy's functions and which include arrangements for the management of risk.

The purpose of the governance framework

The governance framework comprises processes by which the Conservancy is directed and controlled. The system of internal control is part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is designed to identify and prioritise risks to the achievement of objectives, to evaluate the likelihood of those risks being realised and the consequent impact, and to manage them efficiently, effectively and economically.

The governance framework has been implemented during the year ended 31 March 2024 and remains effective.

The Governance Framework

Establishing and monitoring the achievement of objectives

The Conservancy's operational objectives stem from the Management Plan, the Port Marine Safety Code Safety Plan, the budgeting process and the performance management of each team member.

The Management Plan sets out the management actions of the AONB emanating from the Countryside and Rights of Way Act 2000. It also details how the Conservancy will discharge its responsibilities as required by the Port Marine Safety Code.

Roles and responsibilities

The Conservancy is the decision making body and comprises 15 members. Eight represent the two County Councils, four represent the two District and Borough Councils, and three are appointed by the statutory Advisory Committee. The Advisory Committee includes representatives of Harbour and AONB stakeholders, covering interests such as water recreation, nature conservation, residents, and commercial interests. The Conservancy must consult the Advisory Committee on all matters substantially affecting the harbour and AONB and the maintenance, management, and improvement of the harbour. The Advisory Committee considers all reports prior to consideration by the Conservancy itself. The Conservancy delegates responsibilities to its Planning Committee and to the HR Sub Committee. Working Groups are established from time to time to deal with specific projects. The scheme of delegation is contained within Standing Orders and Financial Regulations.

Ensuring compliance with relevant laws, regulations and policies

The Conservancy is required under its Act of Parliament to appoint such officers as is necessary for the efficient discharge of their functions. The Chief Executive Officer has the prime responsibility for ensuring that decisions are properly made. The role of the Clerk is to act as the Monitoring Officer to the Conservancy.

The West Sussex County Council Finance and Support Services Director has delegated the Treasurer role to a Finance Manager. The Council's Head of Internal Audit has direct access to the Treasurer and to the CEO.

Chichester Harbour Conservancy has approved Financial Regulations and Standing Orders that govern financial procedures and how it conducts its meetings and decision making. They require Members and the CEO to ensure that all decisions are compliant with policies, procedures, laws and regulations.

Processes have been developed that ensure compliance with established policies, procedures, laws and regulations and are reviewed on an annual basis. These include:

Clear statements of operational objectives.

Statements of the responsibilities of members and officers.

Formal risk identification, analysis, ownership and review procedures for all major project work and related programmes.

A variety of risk management procedures under the Port Marine Safety Code and Health and Safety at Work.

Annual reviews of risk assessments are carried out. The Conservancy adopts a "commitment to continuous improvement" approach to risk management ensuring that risk assessment is part of every operational meeting and process. The outcomes from this process help to ensure compliance with the Port Marine Safety Code and relevant Health and Safety at Work legislation, both of which are subject to independent audit.

The Port Marine Safety Code, Conservancy Standing Instructions, Financial Regulations and Standing Orders govern how the Conservancy holds itself accountable for the discharge of its duties and powers. This ensures that risk management awareness is embedded into the organisation.

Maintenance and review of the effectiveness of governance arrangements

At least annually, the effectiveness of the governance framework, including the system of internal control, is reviewed. This is informed by the work of Internal Audit and the CEO, who have responsibility for the development and maintenance of the internal control environment and also by comments made by the Conservancy's external auditors.

Responsible officers review internal controls routinely as an integral part of the risk management process.

Internal Audit provides an independent appraisal of all major financial systems and undertakes annual compliance testing. An annual audit is carried out each year and was last completed in February 2024.

Significant Governance Issues

Internal Audit advised that **Reasonable Assurance** can be placed on the effectiveness of the overall control environment. Areas where the framework of governance, risk management and control could be improved are identified as follows (extract from Internal Audit Report):

- A keys registry is kept to track the issue of keys to staff members, noting when keys are assigned and returned upon the cessation of employment with the Conservancy. The log is manually recorded on a paper document and keys are not easily identified to allow sufficient recording and tracking.
- Right to work checks are completed for new starters, however testing found that photocopies of original identity documents had no note of the date on which the check was conducted written on them nor any manual or digital record including this as per the Home Office "Employers Guide to Right to Work Checks".
- Inconsistencies were noted within the checks that are completed on the monthly credit card statements. Testing found that one users credit card, statements had not been signed by the user confirming the spend for three months.
- The Asset Register HOSI does not provide detailed information of who is responsible for which area or what process to follow when items are lost. The Asset Register January 2024 has multiple missing information within each of the relevant departments and does not reflect the Asset Register HOSI procedures.

Management Actions to address these observations, or to confirm acceptance of risk are detailed in Appendix 2.

Mel Belderson
Finance Manager

Matt Briers
CEO



Assurance through excellence
and innovation

West Sussex County Council

Internal Audit Report

Chichester Harbour Conservancy 2023/24

23 April 2024

Prepared by: Louise Clarke

FINAL REPORT

Confidential

1. Introduction

- 1.1. As part of the Internal Audit Plan for 2023/24, we have undertaken a review of Chichester Harbour Conservancy.
- 1.2. This review examined the procedures and transactions supporting Conservancy activities to ensure they are appropriate. Transaction testing, review of policies and walkthrough demonstrations were used to measure the effectiveness of controls.
- 1.3. A management action relating to personnel records from the previous year's audit review remains outstanding and relates to the standardisation of storage of the records and for any missing documents to be obtained. The latest update explained that it was a larger administrative task than first anticipated and the intention was to recruit a member of staff with an element of time dedicated to HR work. The target for this work to be completed was estimated to be toward the end of the financial year (31/3/24). However, recruitment to this role has been paused and therefore this task will be completed within existing resource capabilities which will extend the completion date into 2024-25.
- 1.4. We are grateful to all staff for their assistance during the course of the audit.

2. Objectives

- 2.1. This review has sought to assess the effectiveness of controls in place focusing on those designed to mitigate risk in achieving the following key objectives:
 - Appropriate accounting records have been kept throughout the year & periodic bank reconciliations were properly carried out during the year. (A&I)
 - The authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. (B)
 - The authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. (C)
 - The Precept or rates requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored; and reserves are appropriate. (D)
 - Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for. (E)

- Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for. (F)
- Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied. (G)
- Asset and investment registers were complete and accurate and properly maintained. (H)
- Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded. (J)
- The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with any relevant transparency code requirements. (L)
- The authority has, during the previous year, correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations and complied with the publication requirements for the prior year AGAR. (M&N)

3. Circulation List

3.1. This document has been circulated to the following:

- Matt Briers CBE – Chief Executive Officer
- Fiona Morris – Deputy Treasurer
- Joanna Cox – Harbour Master
- Melanie Belderson – Finance Manager
- Gina Simpson – Finance Officer



The Southern Internal Audit Partnership conforms to the IIA's professional standards and its work is performed in accordance with the International Professional Practices Framework (*endorsed by the IIA*).

4. Summary Findings

Assurance Opinion	
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

Management Actions	
High	-
Medium	7
Low	-
Total	7

Key Observations
<p>Areas assessed to be working well/controls are effective</p> <ul style="list-style-type: none"> • The Treasurer role is undertaken by the Director of Finance at WSCC, who delegates this responsibility to a Finance Manager. The Financial Regulations set out the Treasurer's Responsibilities and makes reference to S151 of the Local Government Act 1972. • Daily reconciliations using the Xero systems in conjunction with Lloyds Banking are performed to record financial transactions. This enables the Finance officer to prevent and detect inaccuracies as they occur. • Monthly bank reconciliations were carried out during the year, approved by the Treasurer and reported to members, this was shown within the November 2023 Budget Monitor report and met the current 'Monthly Procedures' HOSI. • Adequate insurance cover is in place for land, buildings, public liability, employers, employees and Motor Vehicles with Zurich. Additional Health and Safety inspections take place by rangers to monitor open spaces and play areas. Electrical safety checks had also been completed for all sites in January 2024.

- Data is regularly backed up to the Cloud; regular password changes are automatically enforced by the system and anti-virus software is installed across the network. This was evidenced through the contract held with Pronetic Ltd who manage the Conservancy's IT and software contract. Data protection registration up to date.
- The Conservancy approved the budget for 2023-24, including the proposed precept on Hampshire County Council and West Sussex County Council, at their meeting on 14th November 2022. Delegated budget responsibilities are set in the Financial Regulations. Regular budget monitoring reports are prepared and submitted to the Conservancy; current expenditure is in line with the budget. Specific earmarked reserves including the 'Repairs and Renewals Fund' have been established and are reviewed annually as part of the budget.
- The division of responsibilities for collecting income is sufficient. The majority of harbour dues and mooring fees are paid via card, either through telephone or online transactions. Daily banking reconciliations ensure a clear audit trail is available. Procedures are established to handle fixed penalty notices and outstanding debts.
- Cash is securely stored within insurance coverage limits, and G4S has been contracted for Bi-weekly collection and banking services.
- Procedures are in place for the acquisition of formal tenders and quotes, approval of expenditure and processing of invoices as per the Standing Orders and Financial Regulations that were approved and adopted in June 2023. Testing evidenced the use of 'Approvalmax' which enables the Conservancy to apply the correct levels of authorisation for expenditure.
- Suitable systems, which involve routine reconciliations, are implemented for overseeing petty cash and cash floats. During the audit, the cash on hand was reconciled to the latest reconciliation statement.
- Testing revealed that, where applicable, purchase orders are generated for expenses, Standing orders and Service orders follow the 'Approvalmax' system to enforce the appropriate levels of authorisation and sign off.
- Processes are established for obtaining formal tenders and quotes, authorising expenses, and handling invoice processing, with sufficient segregation of duties ensured. Quarterly VAT returns are submitted to HMRC subsequent to approval from the Treasurer.
- Duties related to staff recruitment, personnel record maintenance, and authorisation of overtime claims are segregated. Additionally, a Service Level Agreement with West Sussex County Council is established to provide payroll services.
- A thorough Risk Register is kept and presented for review during each Finance, Risk, and Audit Group Meeting. Testing revealed its presentation to the Group during the October 2023 Finance, Risk, and Audit Group Meeting.
- Protocols are established governing the use of Harbour vehicles, with diligent monitoring of vehicle information, including servicing, MOT and tax due dates, and the maintenance of accurate records.

- 2022-2023 end of year accounts were prepared in accordance with The Practitioners' Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements. The Conservancy approved and adopted the Code of Conduct for the period 2023-2024.
- The Conservancy published a 'Notice of public rights and publication of unaudited annual governance & accountability return' online, identifying the 30 working day period when the records were available for public inspection; the Annual Governance and Accountability Return (AGAR) 2022/23 Return for the year ending 31/03/2023 is published on the Conservancy website.
- A 'Service Contracts' spreadsheet is used to control the main service contracts, the Conservancy are aware they have 12 contracts that have been in place since 2018 and nine have rolling contracts. It was highlighted by the Finance Manager that due to the location of the building it is challenging to find contractors. Reviews are in place and discussed at Senior Management level.

Areas where the framework of governance, risk management and control could be improved

- A keys registry is kept to track the issue of keys to staff members, noting when keys are assigned and returned upon the cessation of employment with the Conservancy. The log is manually recorded on a paper document and keys are not easily identified to allow sufficient recording and tracking.
- Right to work checks are completed for new starters, however testing found that photocopies of original identity documents had no note of the date on which the check was conducted written on them nor any manual or digital record including this as per the Home Office "Employers Guide to Right to Work Checks".
- Inconsistencies were noted within the checks that are completed on the monthly credit card statements. Testing found that one users credit card, statements had not been signed by the user confirming the spend for three months.
- The Asset Register HOSI does not provide detailed information of who is responsible for which area or what process to follow when items are lost. The Asset Register January 2024 has multiple missing information within each of the relevant departments and does not reflect the Asset Register HOSI procedures.

5. Added Value

- 5.1. One of the Core Principles that underpin the Professional Practice of Internal Auditing is to 'promote organisational improvement'. The Added Value section of the report provides insight, opportunities and collaborative learning (best practice) that the organisation may wish to consider moving forwards. We do not consider the issues raised in this section to adversely impact the control environment in the achievement of objectives reviewed.
- 5.2. The points raised below are for management to discuss and consider within the context of the organisation, and Internal Audit do not require a response on these.

Added Value
<ul style="list-style-type: none">• In order to guarantee that new employees commence work after the completion of the DBS process, a control sheet could be integrated into the induction checks, ensuring that the DBS check is finalised before the start date.• Individual purchases for items like milk, squash, and stationery do not undergo verification to guarantee their allocation to the Conservancy. Implementing a spot check methodology could ensure that purchases are indeed utilised for Conservancy purposes, or alternatively, utilising a supplier and delivery note system to confirm the correct receipt of items.

Observation – 1 – Access to Property				
<p>The Conservancy administers key control for the Main Office, Workshop, and Top Door through a paper document, where individuals sign to confirm receipt of specific keys. An additional column has been manually added for key returns. However, testing revealed that keys are frequently transferred from one individual to another when someone leaves the Conservancy and a new person assumes a role.</p> <p>Testing revealed that the keys lack numbering and individual allocation, making it challenging to track key returns, dates of return, and determine who currently has access to the Main Office, Workshop, and Top Door.</p>				
Risk	Individuals have access to property and other areas within the Conservancy without authorisation.			
Management Response				
Action	Priority	Responsible Officer	Target Date	
1.1 System to be developed to number keys and improve understanding of access by both employee and by building	Med	Finance Officer	1/6/2024	
1.2 Keys to be handed back to Finance Officer when employee leaves and re-issued as necessary. HOSI to be updated to reflect this.	Med	Finance Officer	1/06/2024	
Auditor assessment of managements response				
The management action should mitigate the risk once implemented.				

Observation – 2 – Right To Work Checks			
<p>The ‘Home Office Employers Guide to Right to Work Checks’ states that a note of the date on which you conducted the check can be made either on the photocopy or by holding a separate record, which can be shown upon request. This date may be written on the document as follows: ‘The date on which this right to work check was made: [Insert date]’</p> <p>During testing, it was discovered that among the five Right To Work documents provided, none contained recorded dates, or a separate record provided to indicate that the right to work checks had been completed.</p>			
Risk	No statutory excuse in the event of an employee working illegally, leading to a civil penalty (fine) from Home Office.		
Management Response			
Action	Priority	Responsible Officer	Target Date
2.1 Process to be updated to ensure that one of these actions takes place and is applied consistently	Med	Communications Manager	01/06/2024
Auditor assessment of managements response			
The management action should mitigate the risk once implemented.			

Observation – 3 – Credit Card Procedures			
The Conservancy use a Credit Card HOSI to provide Policies and Procedures on the use of company credit card. It states ‘All Cardholders will sign off their Monthly Statements’			
Testing found out of six individuals credit card monthly statements for October, November and December one users credit card statements had not been signed by the user for three months.			
Risk	Unauthorised or fraudulent expenditure and non-compliance with Conservancy Policy and Procedures		
Management Response			
Action	Priority	Responsible Officer	Target Date
3.1 Finance Officer to ensure compliance with written procedures.	Med	Finance Officer	01/04/2024
Auditor assessment of managements response			
The management action should mitigate the risk once implemented.			

Observation – 4 – Asset Register

There were two actions from the 2022-23 Audit:

- HOSI to be reviewed to set out the responsibilities and responsible person.
- Asset recording to be agreed and standardised where possible.

We understand that the HOSI for the Asset Register was last reviewed in November 2023. However, a number of areas remain unchanged.

The HOSI stipulates that each team must appoint a member of staff to maintain current records for financial and audit purposes and mandates that an internal annual audit for every item listed in the register is undertaken. However, it does not set out the responsibilities and responsible person as set out in the agreed management action.

The 'Asset Register Jan 2024' stated that an audit check had been completed, a number of areas had missing information and did not comply with the Asset Register HOSI which states that "An internal annual audit should be carried out on each item contained in the register. Each item in question should be checked for the correct asset number and recorded as present and 'in use'". The results of the testing for the individual areas are as follows:

- IT Equipment – No approximate value column, no information being 'Present and In Use as per the HOSI and doesn't state items location.
- Workshop Equipment - 50 items not recorded as being 'Present and In Use', five missing Manufacture details, 17 model details missing, 30 serial numbers missing and 2 date acquired missing.
- Lifting Equipment – 33 items not recorded as being 'Present and in use', 28 missing asset numbers, 15 missing manufacturer details, six serial numbers missing, 22 value details missing, 19 date acquired missing, 28 annual check date missing.
- Patrol Equipment – 34 items not recorded as being 'Present and In Use', 28 missing new asset numbers, 26 missing location details, 8 value details missing, 29 date acquired missing.
- Environmental Equipment – 97 items not being recorded as 'Present and in Use', 21 Missing asset numbers, 11 model description missing, eight value details missing, 21 acquired date missing.
- Education – 24 items not being recorded as 'Present and in Use', multiple areas not completed for furniture items.

The HOSI does not provide guidance or procedures of what to do for lost or missing items. The scrapped items listed within the Asset Register have multiple data entries missing such as, value of missing items and the date acquired. There is also no guidance to clarify at what point the item is declared lost/missing.			
Risk	With responsibilities unclear and inconsistencies in quality of recording and checks, items are stolen or go missing		
Management Response			
Action	Priority	Responsible Officer	Target Date
4.1 HOSI to be updated with Responsibilities and Responsible person	Med	Finance Manager	31/12/2024
4.2 Recording system to be reviewed and improvements identified	Med	Finance Manager	31/12/2024
4.3 Review of process for scrapped / Missing / disposed of items	Med	Finance Manager	31/12/2024
Auditor assessment of managements response			
The management action should mitigate the risk once implemented.			

Appendix 1 – Definitions of Assurance Opinions and Management Actions

We use the following levels of assurance and prioritisations in our audit reports:

Assurance Opinion	Framework of governance, risk management and management control
Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Management Action	Current risk
High Priority	An immediate risk of failure to achieve objectives; system breakdown; or loss. Such risk could lead to an adverse impact on the organisation or exposure to criticism.
Medium Priority	Although not immediate, there is risk of failure to achieve objectives; system breakdown; or loss.
Low Priority	Areas that individually have no immediate risk impact, but where management would benefit from enhanced process/control or efficiencies.

CHICHESTER HARBOUR CONSERVANCY

FINAL ACCOUNTS 2023-24 – EXECUTIVE SUMMARY

- i. Harbour.** The 2023-24 Harbour budget was set with an expectation to generate a £94,600 surplus, however following a review of the Renewals and Repairs Fund balance and future commitments, an additional transfer of £88,200 has been made to the Renewals and Repairs Fund, resulting in zero surplus reported in year.
- ii. AONB.** The National Landscape (AONB) budget concluded the year with an overspend of £19,100, which has been met by funds generated on the Harbour side of the organisation.
- iii. Grants.** Grants of £444,700 were received in year, with a further £173,400 brought forward from 2022-23. Projects included nature conservation, education and capital works. Also of note was the funding of three defibrillators to be carried onboard Conservancy vessels.
- iv. Reserves.** Reserves have been reviewed and restructured in accordance with the new Reserves Policy. Asset replacement and maintenance requirements have been thoroughly reviewed and increased provision has been made within the Renewals and Repairs Fund.
- v. Investments.** Investment income of £284,200 was achieved on all funds in the year through the treasury management arrangement with West Sussex County Council. This represents an average rate of return of around 4.77%, a significant increase on previous years.
- vi. Pension.** The last actuary valuation was in March 2022. This valuation found that the fund was funded at 129%.

Final Accounts 2023-24 – Detailed Report

1. Introduction

- 1.1 The Conservancy is categorised as a 'smaller relevant body' under the terms of the Accounts and Audit Regulations (England) 2015. As such, the Conservancy is required to submit an Annual Return, supported by an Income and Expenditure Account and Balance Sheet.
- 1.2 Whilst the Conservancy differentiates between 'Harbour' and 'AONB' operations for the purpose of budget setting and monitoring, for statutory reporting purposes these budgets are combined to produce one set of final accounts.
- 1.3 The budgeted surplus for 2023-24 is £94,600. However, following a review of financial arrangements an additional contribution to the Renewals and Repairs Fund is proposed, resulting in a zero surplus at year end.

	Approved Budget	Final Outturn	Variation
	£	£	£
Expenditure	2,274,300	2,253,100	-21,200
Operational Income	-2,033,100	-2,017,200	15,900
Council Contributions	-440,800	-440,800	0
Net Cost of Services	-199,600	-204,900	-5,300
Transfers to and from reserves	105,000	204,910	99,900
Net Surplus	-94,600	0	94,600

- 1.4 This outturn summary is to be submitted on the Annual Governance and Accountability Return Form which is shown in Appendix 2. The Income and Expenditure Account, Balance Sheet and Fixed Asset Register are also included in Appendices 3, 4 and 5 for consideration.

2. Budget Variations

- 2.1 Budget variations are considered for the 'Harbour' and 'National Landscape (AONB)' separately, in the standard budget monitoring format. This enables a detailed review of the Conservancy's budget aligned to areas of operational responsibility. Full figures are available in Appendix 1.

3. Harbour Budget

Income Variations

- 3.1 Other Income (£17,700 additional income). Around £11,600 of this favourable variance relates to penalty income and administration fees, received from vessels not displaying harbour dues when plaque checked. £3,000 relates to additional

works carried out by the Workshop Team.

- 3.2 Harbour Dues (£32,600 reduced income). As reported throughout the year this variation is due to a surge in the number of annual dues holders, predominantly smaller vessels, over the 'covid pandemic' period which were included in budgeted figures but did not renew for the 2023-24 year.
- 3.3 Moorings Income (£9,400 reduced income). This variation, relates to both annual and visitor moorings and represents only 1% of the total moorings income budget.
- 3.4 Harbour Rent / Boat Park (£14,500 additional income).

Expenditure Variations

- 3.5 Maintenance (£7,900 overspend). This overspend relates to; Emsworth Jetty power supply, shingle recharges and an additional survey of the Emsworth channel.
- 3.6 Equipment (£9,000 overspend). The majority of this overspend relates to IT software costs, both price increases for existing agreements and additional expenditure for new software requirements.
- 3.7 Professional Services (£19,700 underspend). This variance is across a number of budgets including CHC Day, Website, Service Contingency and Consultants. The CHC Day and website development did not take place in 2023-24 due to changes in relevant staff.
- 3.8 Net Zero (£30,000 underspend). This budget was included as part of the 2023-24 budget setting process, however a decision was made early in the year to hold expenditure whilst the Conservancy's strategy development work is undertaken.

4. AONB Budget

Income Variations

- 4.1 Other Income (£7,100 reduced income). This income variation relates to reduced income from Solar Heritage trips (-£12,000). A number of trips were cancelled during the year as a result of ongoing vessel maintenance issues. This is however offset by increased income generated by the Education Centre (£5,300).

Expenditure Variations

- 4.2 Staffing Costs (£38,400 underspend). As reported throughout the year, this variation is due to temporary vacancies and the evolution of the staffing structure since budget setting.
- 4.3 Equipment (£7,800 overspend). The majority of this overspend relates to software development costs, replacing the outdated, unsupported, planning database.
- 4.4 Professional Services (£28,500 overspend). This represents expenditure on both the Chidham Planning Inquiry and the technical report for Langstone. An additional £33,500 of professional fees were funded from the AONB Unrestricted Reserves as planned.
- 4.5 AONB Projects (£14,100 overspend). This overspend includes expenditure on consumables for the Ranger Team to maintain the footpaths, production and monitoring of the Management Plan, together with expenditure on nature conservation and information and interpretation.

5. AONB Grants

- 5.1 In addition to the AONB budget, other grants and one-off sources of income have been detailed on the final page of Appendix 1.
- 5.2 The Friends of Chichester Harbour have awarded £29,200 towards a number of projects including; Tern TV, education, footpath resurfacing, solar panels and a defibrillator for Solar Heritage.
- 5.3 West Wittering Parish Council awarded £6,000 towards the resurfacing of Sheepwash Lane.
- 5.4 DEFRA awarded £53,900 through the Access for All scheme which has contributed to projects including; Salterns Way resurfacing, Emsworth jetty gate and works to Itchenor carpark. Also provided were batteries, motors and a replacement wheelchair lift for Solar Heritage.
- 5.5 £216,100, has been received and spent relating to the Farming in Protected Landscapes Programme.
- 5.6 An Environment Agency grant of £20,000 was brought forward from the previous financial year and funded a feasibility study focused on land in Fishbourne.
- 5.7 Solent Seascape funds from Blue Marine (£110,500) has been received, together with match funding from the East Head Impact Group (£24,000). £184,500 has been spent against this project, including two fully funded staff posts. The unspent grant is to be carried forward in the Restricted Reserve sub-section of the General Reserve.
- 5.8 National Landscapes awarded £3,000 to contribute towards the cost of re-branding from an AONB to a National Landscape.
- 5.9 Chichester Harbour Federation funded the purchase of two defibrillators, to be carried on the patrol vessels, at a cost of £1,900.

6. Transfers to Reserves

- 6.1 Following a revaluation exercise early in the year, there was a proposal to increase the contribution to the Renewals and Repairs fund by £10,000 and the contribution to the Dell Quay Maintenance Reserve by £2,000, as reported in the Budget Monitor from August 2023 onward.
- 6.2 Following a further review of financial arrangements and restructuring of reserves, including another assessment of the Renewals and Repairs Fund, an additional contribution of £88,200 has been made into the Renewals and Repairs Fund to finance the calculated deficit within the Fund.
- 6.3 Grant funding of £103,400 is to be carried forward in the Restricted subsection of the General Reserve.

7. Balance Sheet at 31st March 2024

- 7.1 The Balance Sheet is shown in Appendix 4. Reserves are displayed in line with the requirements of the new Reserve Policy.
- 7.2 Renewals and Repairs Fund. This fund has a closing balance of £1,429,800. Assets within the fund have been assessed against anticipated replacement costs and further

maintenance requirements relating to the Moorings Vessel have been costed and incorporated into the schedule.

7.3 Capital Fund. The Capital Fund has a closing balance of £2,029,500. This is split between both known and likely projects (>50% probability).

7.4 General Reserve. The closing balance on this reserve is £1,872,500, of which £519,900 is held within the Restricted Sub-section. The largest balance in the Unrestricted Section is £1,172,800, held as a general contingency in-line with best practice.

8. Treasury Management

8.1 It is confirmed that any borrowing and lending undertaken by the Treasurer during 2023-24 has been in accordance with the standards that apply in West Sussex County Council's Treasury Management Policy Statement.

9. Investments

9.1 Investment of funds held in reserves has been managed by West Sussex County Council (WSSC) throughout the year. These funds are pooled with WSSC reserves to achieve a more favourable interest rate. In 2023-24 total interest of £284,200 was achieved on CHC funds, a return of around 4.77%. As part of this arrangement WSSC also manage CHC cash flow, making daily transfers between CHC's current account and investments as necessary. These transactions are monitored by CHC on a monthly basis as part of the bank reconciliation. A year-end reconciliation is then made to ensure that reserves and associated interest are accounted for appropriately.

9.2 Interest has been apportioned as per the following table:

Renewals and Repairs	£54,800
Capital Fund	£180,800
General Reserve	£36,300
Harbour Budget	£8,000
AONB Budget	£4,300
	£284,200

Pension Fund (Update provided by WSSC Pension Team)

10.1 Chichester Harbour Conservancy (CHC) are one of 219 active employers who participate in the West Sussex Local Government Pension Scheme (LGPS), which is administered by West Sussex County Council. Responsibility for the discharge of the County Council's responsibilities for the LGPS sits with the Pensions Committee. Hampshire Pension Services provide the day-to-day pension administration service on behalf of the Council.

10.2 The Conservancy is a stand-alone body for LGPS purposes which means that CHC's contribution rate is linked to its actual funding position and can be adjusted based on whether a surplus or deficit exists relating to the Conservancy's pension account, rather than being influenced by the actions of other employers.

10.3 The latest actuarial valuation was carried out as of 31 March 2022 with the CHC fund being valued within the West Sussex Local Government Pension Scheme as having a surplus (£8.4m assets v £6.5m liabilities), making it 129% funded. The employer contribution rate for the period 1st April 2023 – 31st March 2026 will remain at the

previous rate of 19.8%. The actuarial valuation takes place every three years.

- 10.4 Markets in 2023-24 have continued to be challenging following the uncertainty governing the economic outlook, however high interest rates have offset this position which has had the effect of decreasing the value placed on the Fund's liabilities.

11. **Recommendations**

- (a) The Conservancy agrees the additional transfer to the Renewals and Repairs fund as per para 6.2.
- (b) The Conservancy approve the outturn position for the year ended 31 March 2024.

Mel Belderson
Finance Manager

Matt Briers
Chief Executive Officer

Budget Monitor - Harbour

Chichester Harbour Conservancy
For the year ending 31st March 2024

Appendix 1

Page 1/3

Account	Harbour Budget	Harbour Actual	Harbour Variance	Comments
			- Additional Income + Reduced Income	
Income				
Other Income	148,700.00	166,374.98	17,674.98	Penalty payments. Rechargeable works
Harbour Dues	520,600.00	488,005.93	(32,594.07)	Annual and casual dues
Moorings Income	912,700.00	903,304.27	(9,395.73)	Annual and visitors
Harbour Rent/ Boat Park/ Car Park	151,900.00	166,384.62	14,484.62	Boat park
Total Income	1,733,900.00	1,724,069.80	(9,830.20)	
			- Additional Expenditure + Reduced Expenditure	
Expenditure				
Staffing Costs	690,400.00	685,568.22	4,831.78	
Maintenance	57,600.00	65,517.32	(7,917.32)	Quays, jetty power, survey
Premises Costs	332,000.00	335,506.09	(3,506.09)	
Transportation	77,600.00	81,065.27	(3,465.27)	
Equipment	146,200.00	155,211.61	(9,011.61)	IT Software
Office Supplies	55,900.00	54,811.26	1,088.74	
Professional Services	136,500.00	116,822.53	19,677.47	CHC Day, website, service contingency, consultants
County Council Charges	17,900.00	17,054.80	845.20	
Business Plan Expenditure	2,000.00	0.00	2,000.00	
Net Zero	30,000.00	0.00	30,000.00	Awaiting strategy
Total Expenditure	1,546,100.00	1,511,557.10	34,542.90	
Net Income (Expenditure)	187,800.00	212,512.70	24,712.70	
Transfers to/from Reserves				
Contribution to IT Fund	3,800.00	3,800.00	0.00	
Contribution to CHIMET	1,600.00	1,600.00	0.00	
Transfer to Dell Quay Maintenance Reserve	10,000.00	12,000.00	(2,000.00)	
Transfer to Repairs and Renewals Fund	77,800.00	175,970.36	(98,170.36)	Additional transfer (£88,200) following review of reserves
Total Transfers to/from Reserves	93,200.00	193,370.36	(100,170.36)	
Surplus (Income - Expenditure - Transfers to/from Reserves)	94,600.00	19,142.34	(75,457.66)	Surplus to offset AONB deficit

Budget Monitor - AONB

Chichester Harbour Conservancy
For the year ending 31st March 2024

Appendix 1

Page 2/3

Account	AONB Budget	AONB Actual	AONB Variance	Comments
<div> <div>- Additional Income</div> <div>+ Reduced Income</div> </div>				
Income				
DEFRA Grant	173,100.00	173,099.78	(0.22)	
Other Income	81,900.00	74,767.88	(7,132.12)	Cancellation of Solar Heritage trips, offset by increased Education income
County Council Precept	440,800.00	440,800.00	0.00	
Harbour Rent/ Boat Park/ Car Park	44,200.00	45,239.80	1,039.80	
Total Income	740,000.00	733,907.46	(6,092.54)	
<div> <div>- Additional Expenditure</div> <div>+ Reduced Expenditure</div> </div>				
Expenditure				
Staffing Costs	559,900.00	521,462.64	38,437.36	Temporary vacancies and changes to staffing structure
Maintenance	17,600.00	20,364.31	(2,764.31)	
Premises Costs	31,500.00	28,787.11	2,712.89	Rates. Electricity
Transportation	29,500.00	33,925.02	(4,425.02)	Solar Heritage Maintenance
Equipment	13,400.00	21,238.07	(7,838.07)	Software development costs to replace unsupported planning database.
Office Supplies	13,300.00	10,529.58	2,770.42	
Professional Services	45,800.00	74,336.38	(28,536.38)	Chidham inquiry fees. Langstone technical report
AONB Projects	9,500.00	23,558.20	(14,058.20)	Budget used for required maintenance by rangers. Production of annual review and management plan ,Nature Conservation, Info and Interpretation
County Council Charges	7,700.00	7,309.20	390.80	
Total Expenditure	728,200.00	741,510.51	(13,310.51)	
Net Income (Expenditure)	11,800.00	(7,603.05)	(19,403.05)	
Transfers to/from Reserves				
Eames Farm Contingency	1,600.00	1,339.29	260.71	
Contribution to IT Fund	1,300.00	1,300.00	0.00	
Minibus Contribution	4,400.00	4,400.00	0.00	
Transfer to Repairs and Renewals Fund	4,500.00	4,500.00	0.00	
Total Transfers to/from Reserves	11,800.00	11,539.29	260.71	
Surplus (Income - Expenditure - Transfers to/from Reserves)	0.00	(19,142.34)	(19,142.34)	Offset by surplus from Harbour

AONB Grants

Appendix 1
Page 3/3

For the year ending 31st March 2024

	2023-24			
Grants / Income	Brought Forward	Received in Year	Expenditure to Date	Carried Forward
Friends		29,232.48	29,232.48	0.00
West Wittering PC - Sheepwash Lane		6,000.00	6,000.00	0.00
DEFRA - Access for All		53,908.45	53,908.45	0.00
FiPL		216,121.11	216,121.11	0.00
Environment Agency - Feasibility Study	20,000.00		20,000.00	0.00
Solent Seascape Project - Blue Marine	148,097.35	110,540.96	184,533.82	74,104.49
Solent Seascape Project - EHI match funding	5,317.00	23,971.00	0.00	29,288.00
National Landscapes - Rebranding		3,000.00	3,000.00	0.00
Chichester Harbour Federation		1,890.50	1,890.50	0.00
Total	173,414.35	444,664.50	514,686.36	103,392.49

Annual Governance and Accountability Return 2023/24 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2023/24

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
 - **Sections 1 and 2** **must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2024**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2024**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2024
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2023/24

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2024 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2023/24**, approved and signed, page 4
- **Section 2 - Accounting Statements 2023/24**, approved and signed, page 5

Not later than 30 September 2024 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2023/24

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2024.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2023) equals the balance brought forward in the current year (Box 1 of 2024).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2024**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?		
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?		
	Has an explanation of significant variations been published where required?		
	Has the bank reconciliation as at 31 March 2024 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

***Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2023/24

ENTER NAME OF AUTHORITY

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.			
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.			
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.			
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.			
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.			
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.			
H. Asset and investments registers were complete and accurate and properly maintained.			
I. Periodic bank account reconciliations were properly carried out during the year.			
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.			
K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>			
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.			
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).</i>			
N. The authority has complied with the publication requirements for 2022/23 AGAR <i>(see AGAR Page 1 Guidance Notes).</i>			

O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.			

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

DD/MM/YYYY

DD/MM/YYYY

DD/MM/YYYY

ENTER NAME OF INTERNAL AUDITOR

Signature of person who carried out the internal audit

SIGNATURE REQUIRED

Date

DD/MM/YYYY

***If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

****Note:** If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Chichester Harbour Conservancy – Annual Internal Audit Report 2023/24

Additional information in relation to internal control objective:

H - Asset and investments registers were complete and accurate and properly maintained.

The Asset Register HOSI does not provide detailed information of who is responsible for which area or what process to follow when items are lost. The Asset Register January 2024 has multiple missing information within each of the relevant departments and does not reflect the Asset Register HOSI procedures which were reviewed and updated in November 2023.

Actions have been agreed with management to improve the weaknesses identified including:

- HOSI to be updated with Responsibilities and Responsible person.
- Recording system to be reviewed and improvements identified.
- Review of process for scrapped / Missing / disposed of items.

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2024, that:

	Agreed		
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chair and Clerk of the meeting where approval was given:

Chair

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2023/24 for

ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	
1. Balances brought forward			<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies			<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts			<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs			<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments			<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments			<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward			<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments			<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets			<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings			<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b. Disclosure note re Trust funds (including charitable)				<i>The figures in the accounting statements above exclude any Trust transactions.</i>

I certify that for the year ended 31 March 2024 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date

DD/MM/YYYY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2023/24

In respect of

ENTER NAME OF AUTHORITY

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02 as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/> .

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2023/24

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2023/24

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2024.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY

Income and Expenditure

Chichester Harbour Conservancy For the year ended 31 March 2024

	2023	2024	VARIANCE
Income			
Harbour Operations	1,827,051	1,914,074	87,023 ↑
Council Contributions	419,800	440,800	21,000 ↑
DEFRA Core Funding	173,075	173,075	- —
AONB Grants	609,973	444,665	(165,308) ↓
Investment Income	119,012	271,929	152,918 ↑
Sale of Assets	6,000	-	(6,000) ↓
Total Income	3,154,910	3,244,542	89,632
Gross Profit	3,154,910	3,244,542	89,632
Administrative Costs			
Employees	1,263,880	1,300,868	36,988 ↑
Premises	113,232	172,391	59,159 ↑
Leases	262,514	275,279	12,765 ↑
Transport	106,730	143,993	37,263 ↑
Equipment	113,550	126,726	13,176 ↑
Supplies and Materials	18,885	23,822	4,938 ↑
Environmental Projects	303,820	408,264	104,444 ↑
WSCC Recharge for Services	30,650	33,198	2,547 ↑
Other Expenditure	300,005	375,201	75,196 ↑
Capital Expenditure	114,723	-	(114,723) ↓
Business Plan Expenditure	250,000	-	(250,000) ↓
Total Administrative Costs	2,877,989	2,859,742	(18,247)
Operating Profit	276,921	384,800	107,879
Transfers To/From Reserves Bundle			
Contribution to Renewals and Repairs Fund	126,100	189,215	63,115 ↑
Contribution to Capital Fund	267,262	60,376	(206,885) ↓
Contribution to General Reserves (Restricted)	207,046	104,732	(102,315) ↓
Expenditure Financed from Reserves Bundle	(365,613)	(241,453)	124,160 ↑
Investment Income Allocated to the Reserves Bundle	42,126	271,929	229,803 ↑
Total Transfers To/From Reserves Bundle	276,921	384,800	107,879

Balance Sheet

Chichester Harbour Conservancy
As at 31 March 2024

Account	31 Mar 2023	31 Mar 2024	Movement
Assets			
Current Assets			
Cash and Cash Equivalents	6,165,874	6,594,908	429,034
Short Term Debtors	225,930	231,994	6,064
Total Current Assets	6,391,804	6,826,901	435,097
Fixed Assets			
Fixed Assets	2,572,414	2,572,414	0
Total Fixed Assets	2,572,414	2,572,414	0
Non-Current Assets			
FRS17 Res: CHC Pensions	8,372,000	8,372,000	0
Total Non-Current Assets	8,372,000	8,372,000	0
Total Assets	17,336,218	17,771,315	435,097
Liabilities			
Fixed Asset Financing	2,572,414	2,572,414	0
Current Liabilities			
Creditors	398,053	399,627	1,573
Receipts in Advance	1,038,493	1,084,625	46,132
Total Current Liabilities	1,436,546	1,484,252	47,705
Non-Current Liabilities	8,380,289	8,382,881	2,592
Net Assets	4,946,968	5,331,768	384,800
Reserves Bundle			
Renewals and Repairs Fund			
Renewals and Repairs	975,368	1,429,783	454,415
Total Renewals and Repairs Fund	975,368	1,429,783	454,415
Capital Fund			
Known Projects	200,350	618,652	418,302
Likely Projects	2,718,767	1,410,803	(1,307,964)
Total Capital Fund	2,919,117	2,029,455	(889,661)
General Reserve			
Self Insurance Reserve	106,437	112,691	6,254
East Head Defence Fund	18,764	19,867	1,103
Harbour Infrastructure Reserve	35,081	9,072	(26,009)
Strategic Environmental Reserve	64,432	38,218	(26,214)
Revenue Balances	227,430	1,172,800	945,370
Restricted Reserves	599,036	519,882	(79,153)
Weather Station	1,304	0	(1,304)
Total General Reserve	1,052,484	1,872,530	820,046
Total Reserves	4,946,968	5,331,768	384,800
Total Reserves Bundle	4,946,968	5,331,768	384,800

Note:

Movement within the Reserves Bundle includes not only the transactions recorded within the Income and Expenditure Account but also transfers between reserves, as per the Reserves Bundle Summary document annex to the Reserves Policy.

FIXED ASSETS

<u>As at 31.3.23</u>			<u>As at 31.3.24</u>	
<u>£</u>	<u>£</u>		<u>£</u>	<u>£</u>
1,605,674		Operational land and buildings	1,605,674	
<u>-9,267</u>	1,596,407	Replacement cost	<u>-9,267</u>	1,596,407
		Depreciation		
157,275		Amenity land	157,275	
<u>0</u>	157,275	Purchase cost	<u>0</u>	157,275
		Depreciation		
352,545		Infrastructure(Jetties and Pontoons)	352,545	
<u>-75,514</u>	277,031	Purchase Cost	<u>-75,514</u>	277,031
		Depreciation		
683,458		Vessels and equipment	683,458	
<u>-141,757</u>	541,701	Purchase cost	<u>-141,757</u>	541,701
		Depreciation		
	0	Assets in the Course of Construction		0
2,572,414		TOTAL FIXED ASSETS	2,572,414	

NB: Depreciation accumulated up to 31.03.10 is shown above. From 2010-11 onwards depreciation has not been accounted for, in accordance with the accounting requirements for a 'smaller relevant body' under the Accounts and Audit Regulations (England) 2011.

Chichester Harbour Conservancy

Proposed Revisions to the Code of Conduct

Background

- 1.1 Chichester Harbour Conservancy has a Code of Conduct to promote and maintain high standards of behaviour amongst its members. The Code is based on the former national model Code of Conduct for local authorities, which was developed in line with recommendations from Lord Nolan's Committee for Standards in Public Life in the late 1990s.
- 1.2 The Conservancy reviews its Code of Conduct annually, usually at the accounts meeting as part of an opportunity to reflect on its performance on governance matters.
- 1.3 Following initial discussions of procedure by the Conservancy's Planning Committee, in January 2024 it was considered that the Conservancy's Code of Conduct could be improved by adding advice about the how members should approach matters where competing interests may arise and the need to prioritise the interests of the Conservancy when acting as a member of the Conservancy.

Proposal

- 1.4 Revisions to the Code been drafted which are set out in Appendix 1. They seek to offer guidance by setting out the main functions of the Conservancy and the responsibilities of those who serve as its members.
- 1.5 The Conservancy is recommended to approve the revisions to the Code of Conduct.

Policies

- 1.6 This recommendation has no policy or resource implications.
- 1.7 Implementing the changes should make the role of a member of the Conservancy clearer and help members navigate instances where a potential conflict of interests may arise when undertaking Conservancy business.

Tony Kershaw
Clerk to the Conservancy

CHICHESTER HARBOUR CONSERVANCY

Code of Conduct

Part 1

General Provisions

Introduction and interpretation

1. (1) This Code applies to **you** as a member of the Conservancy ('the authority'). The Code sets out, clearly and openly, the standards expected from those who serve on both the Advisory Committee, Conservancy and its respective committees and sub-groups. It is your personal responsibility to comply with it. You should read this Code together with the general principles of public life on which it is based and which are set out at the end of the Code.
- (2) In this Code:
 - 'meeting' means any meeting of:
 - (a) the authority, or any committees exercising delegated powers.
 - (b) members in formal or informal meetings with other members and/or with officers relating to the business of the authority;
 - 'member' includes any non-elected member of the authority or its committees
- (3) If you need guidance on any aspect of this Code you should seek it from the Clerk to the Conservancy.

Function

2. (1) ***Section 21 of the CHC Act 1971 sets out the function of the Conservancy Committee as the conservancy, maintenance and improvement of -***
 - (a) the harbour, for the use of pleasure craft and such other vessels as may seek to use the same;***
 - (b) the amenity area, for the occupation of leisure and recreation and the conservation of nature;***
- (2) ***Members are expected, when acting as a member of the Conservancy, to undertake to make decisions that will serve to discharge these functions.***

Scope and offences

3. (1) You must comply with this Code whenever you act or appear to act in your official capacity, namely when you:
 - (a) conduct the business of the authority (including the business of the office to which you are elected or appointed); or

- (b) act, claim to act or give the impression you are acting as a representative of the authority,
- (2) Where you act as a representative of the authority:
 - (a) on another authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or
 - (b) on any other body, you must, when acting for that other body, comply with your authority's code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.
- (3) It is a criminal offence to fail, without reasonable excuse, to notify the Clerk of a disclosable pecuniary interest (as defined in paragraph 4(1), to fail to disclose such an interest at a relevant meeting (where it is not registered or notified), to take part in discussions or votes at meetings, or to take a decision where you have a disclosable pecuniary interest. It is also an offence knowingly or recklessly to provide false or misleading information about pecuniary interests to the Clerk.

General obligations

- 4. (1) You must treat others with respect.
- (2) You must not do anything which may cause your authority to breach any of the equality duties (as set out in the Equality Act 2010);
- (3) You must not bully any person. Usually bullying is defined as behaviour that is repeated, intended to hurt someone either physically or emotionally and often aimed at certain groups, for example because of race, religion, gender or sexual orientation
- (4) You must not intimidate or attempt to intimidate any person who is or is likely to be a complainant or a witness, or involved in any investigation or proceedings about a complaint that a member (including yourself) has failed to comply with his or her authority's code of conduct;
- (5) You must not do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, the authority.
- (6) You must not:
 - (a) disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature **(this includes Part 2 items)**, unless:
 - (i) you have the consent of a person authorised to give it;
 - (ii) you are required by law to do so;
 - (iii) the disclosure is made for the purpose of obtaining professional advice and the recipient agrees not to disclose the information to any other person; or

- (iv) the disclosure is in the public interest, made in good faith and in compliance with the reasonable requirements of the authority;
 - (b) prevent another person from gaining access to information to which that person is entitled by law.
- (7) You must not do anything which may cause your authority to breach the principles of the General Data Protection Regulations (GDPR).
- (8) You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or the authority into disrepute.
- (9) When using social media, the same considerations, apply as would to speaking in public or writing something for publication, either officially or in a personal capacity. When engaging with social media you should **at all times always** respect confidentiality, financial, legal and personal information. Where any personal social media accounts used by you ~~make reference~~ **refer** or link to the authority you should take care to ensure that it is clear in what capacity you are acting.
- (10) You must not use or attempt to use your position as a member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage; and
- (11) You must, when using or authorising the use by others of the resources of the authority:
 - (i) act in accordance with the authority's reasonable requirements;
 - (ii) ensure that such resources are not used improperly for political purposes (including party political purposes).
- (12) You must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.
- (13) When reaching decisions on any matter you must have regard to any relevant advice provided to you by the authority's Treasurer or the authority's Clerk, where that officer is acting pursuant to his or her statutory duties.
- (14) While members of the Conservancy have been nominated by their respective appointing body they do not represent their appointing body. Members of the Advisory Committee or other committees or groups have been appointed to represent specific interests and not those of their appointing body (where relevant). As such, there is no need for broader consultation on the Conservancy's business and members are reminded that confidential documents or information should not be shared or circulated outside of the Conservancy unless specifically approved.**
- (15) You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by the authority.

Part 2

Interests

5. (1) When accepting an appointment to the authority, you should consider if any conflicts of interest arise from your private interests or by virtue of any other roles you hold.
- (2) ***Members wishing to make a representations to a Local Planning Authority over any matter must, at all relevant points, declare they are a Member of Chichester Harbour Conservancy. Furthermore, it must be clear in the representations whether the Member is in support of, or is representing, the position of the Conservancy over any such matter. Where a member intends to speak or vote at a forum outside the governance of the Conservancy, in a way that is contrary to the adopted position or interests of the Conservancy, they must formally state so and notify the Clerk and the Chairman of the Conservancy.***

Disclosable pecuniary interests

6. (1) You have a disclosable pecuniary interest in any business of the authority where it relates to or is likely to affect, in relation to you, your spouse, civil partner or a person living with you as if spouse or civil partner ('the relevant person')
- (i) any employment, office, trade, profession or vocation carried on for profit or gain;
 - (ii) any payment or provision of any other financial benefit (other than from the authority) made or provided within the preceding 12 months in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992(a);
 - (iii) any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the authority under which goods or services are to be provided or works are to be executed and which has not been fully discharged.
 - (iv) any beneficial interest in land which is within the area of the authority;
 - (v) any licence (alone or jointly with others) to occupy land in the area of the authority for a month or longer;
 - (vi) any tenancy where (to your knowledge) the landlord is the authority and the tenant is a body in which the relevant person has a beneficial interest;
 - (vii) any beneficial interest in securities of a body where that body (to your knowledge) has a place of business or land in the area of the relevant authority; and
either:
 - (a) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body;
 - or

- (b) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

(certain words and expressions used in this list are defined in Regulations)

- (2) You have an interest which is a disclosable pecuniary interest as defined by section 30 of the Localism Act 2011 in any business of the authority where it relates to or is likely to affect anything listed in paragraph 4(1) but any interest which your spouse or partner may have is only treated as your interest if you are aware that your spouse or partner has the interest.
- (3) Any such interest must be disclosed at the start of any meeting at which business relevant to the interest may be discussed or considered, unless you have obtained the agreement of the Clerk that the information is sensitive and should not be disclosed (the fact that you have an interest should still be disclosed at the meeting). When such an interest arises you must not, unless you have received a dispensation from the Clerk, take part in any discussion or vote in relation to such business and you must leave the room whilst the business is discussed.

Personal interests

- 7.** (1) You have a personal interest in any business of the authority where:
- (a) it relates to or is likely to affect:
 - (i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
 - (ii) any body of which you are a member or in a position of general control or management:
 - (aa) exercising functions of a public nature;
 - (bb) directed to charitable purposes; or
 - (cc) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union);
 - (iii) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £50;
- OR
- (b) a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a person described in sub-paragraph (2) to a greater extent than the majority of other residents or users of the harbour;
- (2) In sub-paragraph (1)(b), a relevant person is:
- (a) a member of your family or any person with whom you have a close association;

- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph (1)(a)(i) or (ii).

Disclosure of personal interests

- 8.** (1) Subject to sub-paragraphs (2) to (4), where you have a personal interest in any business of the authority and you attend a meeting of the authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent, but only where you are aware or ought reasonably to be aware of the interest.
- (2) Where you have a personal interest in any business of the authority which relates to or is likely to affect a person described in paragraph 5(1)(a)(i) or 5(1)(a)(ii)(aa), you need only disclose that interest when you address the meeting on that business.
- (3) Where you have a personal interest in any business of the authority of the type mentioned in paragraph 5(1)(a)(iii), you need not disclose that interest if it was registered more than three years before the date of the meeting.
- (4) Where you have a personal interest but you consider that the information contains sensitive information and have agreed with the Clerk that this is the case, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.

Prejudicial interests

- 9.** (1) Subject to sub-paragraph (2), where you have a personal interest in any business of the authority you also have a prejudicial interest in that business where the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest.
- (2) You do not have a prejudicial interest in any business of the authority where that business:
- (a) does not affect your financial position or the financial position of a person or body described in paragraph 5;
 - (b) does not relate to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraph 4; or
 - (c) relates to the functions of the authority in respect of:
 - (i) an allowance, payment or indemnity given to members;
 - (ii) any ceremonial honour given to members; or
 - (iii) setting a precept.

- (3) The determining of any approval, consent, licence, permission or registration, which shall include the amendment, modification, or variation of any such approval, consent, licence, permission or registration or any condition, limitation or term to which it is subject or the revoking of any approval, consent, licence, permission or registration.

The Key Principles of Public Life

The key principles upon which this Code of Conduct is based are the Seven Principles of Public Life. These are:

Selflessness

1. Holders of public office should act solely in terms of the public interest.

Integrity

2. Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

Objectivity

3. Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

4. Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

5. Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

6. Holders of public office should be truthful.

Leadership

7. Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

(Reformatted May 2023, revised June 2024)