



North East Atlantic Fisheries Commission (NEAFC)

Meeting of the Finance and Administration Committee

London, 12-16 November 2007

Draft provisional Agenda

1. Preliminary statements for 2007 (August inclusive)
2. Draft budget for 2008 and draft budget estimate for 2009
3. Review of the annual contributions of Contracting Parties with reference to Article 17.4 of the Convention
4. Any other business:
 - *Appointment of an Audit Committee*
 - *Guidelines for the NEAFC website including meeting and documentation archive*
 - *Security*
 - *Scales for General Service staff categories*
 - *Guidelines for internships and participation at meetings of the commission by outside observers and experts*

TWENTY SIXTH ANNUAL MEETING OF THE NORTH-EAST ATLANTIC
FISHERIES COMMISSION, 12-16 NOVEMBER 2007

BRIEFING FOR THE FINANCE AND ADMINISTRATION COMMITTEE

Included as Annex I are details of:

- The approved 2007 budget and the expected outturn
- The draft budget for 2008
- A draft budget estimate for 2009

1. Preliminary statements for 2007 (August inclusive)

Column D of Annex I shows the 2007 approved budget for the Secretariat.

With regard to expenditure (ie Forecast Outturn, Column G), there has been some variation between the budget approved at last year's Annual Meeting for 2007 and actual costs. In particular:

- Staff costs, allowances and insurance – some reductions as a fifth member of staff was not appointed until the beginning of June
- Communication costs have decreased significantly as all faxes are now sent electronically and most Contracting Parties use HTTPS rather than X.25
- The cost of additional computer hard and software, particularly for the introduction of port state control, has been less than anticipated
- Meeting costs have been less than forecast
- ICES – a saving has been made on the exchange rate when payment was made
- Savings have been made on meetings, professional fees, furniture, entertainment, office consumables and miscellaneous
- The budget for other accommodation costs has been increased to take account of new security measures
- The ICO has raised the fee they charge NEAFC for accountancy services
- System maintenance costs have increased to take account of extra work in monitoring redfish from 1 September
- Interest and other income have been increased to reflect the accounts as at 31 August 2007.

Income has been greater than anticipated due to an increase in UK bank interest and the letting of our meeting rooms when they are not being used by NEAFC.

We forecast that, at the beginning of 2008, the General Fund should stand at around £580,000 if all contributions have been received. As the General Fund aims to represent about 50 per cent of the budget (which for 2007 is currently £923,000), this is sufficient.

2. **Draft budget for 2008 and draft budget estimate for 2009**

A revised draft budget for 2008 (Column H) has been produced which is broadly in line with the estimate produced in 2006 and reflects the changes made to 2007 figures in Annex I. The draft budget estimate for 2009 is shown in Column I of Annex I.

3. **Review of the annual contributions of Contracting Parties with reference to Article 17.4 of the Convention**

The calculation of subscriptions for each Contracting Party for 2008 will be provided once the budget for 2008 has been finalised. As its population is now more than 300,000, Iceland will no longer be eligible to pay 5% of the budget.

In the event of further discussions within the Finance and Administration Committee, other sub-groups and the Commission itself, Contracting Parties should be prepared for anticipated contributions to the NEAFC budget by the individual Contracting Parties to be increased as a result of the finalisation of the 2008 budget. Nevertheless, it will be the job of the Finance and Administration Committee to find the most cost-effective solution with a view to minimising such an increase.

4. **Any other business:**

- *Appointment of an Audit Committee.* This item is reviewed annually
- *Guidelines for the NEAFC website including meeting and documentation archive.* At the time of writing and following the Extraordinary Meeting, there has been no feedback from members of the Finance and Administration Committee on this item
- *Security.* ICO has decided to employ additional personnel so the front desk in reception will be manned as previously. The Diplomatic Protection Unit of the Metropolitan Police have fitted a panic button linked directly to its headquarters free of charge. A burglar alarm to conform to insurance requirements has been fitted at a cost of just under £3,000. This amount has been reflected under 'Other accommodation costs' in the budget
- *Scales for General Service staff categories.* At the Extraordinary Meeting the Secretariat was asked to make some suggestions and these are contained in Annex II
- *Guidelines for internships and participation at meetings of the Commission by outside observers and experts.* In June 2007 the FAC asked the Secretariat to compile a list of 'pros' and 'cons' and these are contained in Annex III

DRAFT BUDGET 2008 & DRAFT ESTIMATE 2009
Annex 1

EXPENDITURE		A	B	C	D	E	F	G	H	I
		2006 Actual Outturn at end 2006	2007 Main Draft Budget	2007 Ancillary Draft Budget	2007 Total Main budget plus ancillary budget	2007 Main budget as at 31 Aug 2007	2007 Ancillary Draft Budget as at 31 Aug 2007	2007 Total Main + ancillary budget as at 31 Aug 2007	2008 Draft Budget	2009 Draft Budget Estimate
1a	Staff costs	249,879	245,000	25,000	270,000	270,000	15,000	285,000	291,000	300,000
1b	Allowances	8,673	10,000	10,000	20,000	10,000	-	10,000	12,000	14,000
1c	Insurance	33,996	30,000	-	30,000	30,000	-	30,000	35,000	36,000
1d	Professional fees	1,725	3,000	-	3,000	2,500	-	2,500	3,000	3,000
1e	Furniture	8,491	3,000	-	3,000	1,000	-	1,000	3,000	3,000
1f i	Office accommodation rental	96,000	96,000	-	96,000	96,000	-	96,000	96,000	96,000
1f ii	Other accommodation costs	27,085	25,000	-	25,000	30,000	-	30,000	30,000	32,000
1g	Communication costs	22,360	30,000	10,000	40,000	20,000	5,000	25,000	28,000	30,000
1h	System maintenance costs	48,479	40,000	5,000	45,000	45,000	5,000	50,000	52,000	54,000
1j	Web development	6,046	10,000	-	10,000	10,000	-	10,000	10,000	10,000
1k	Additional computer soft & hardware	9,522	10,000	50,000	60,000	-	8,000	8,000	12,000	12,000
2	Travel and subsistence costs	16,011	20,000	-	20,000	20,000	-	20,000	20,000	20,000
2a	Entertainment and hospitality costs	564	3,000	-	3,000	1,000	-	1,000	3,000	3,000
3	Office consumables	9,727	11,000	-	11,000	9,000	-	9,000	11,000	11,000
4	Audit fee	4,500	5,000	-	5,000	5,000	-	5,000	5,500	6,000
5	Accountancy fee	5,235	5,500	-	5,500	6,500	-	6,500	6,500	6,750
6	Miscellaneous (incl. bank charges)	667	2,500	-	2,500	1,000	-	1,000	2,500	2,500
7a	Annual meeting	25,196	28,000	-	28,000	28,000	-	28,000	29,000	30,000
7b	Extraordinary meeting	0	0	14,000	14,000	-	7,777	7,777	12,000	12,000
7c	Working group meetings	10,662	10,000	-	10,000	9,000	-	9,000	10,000	10,000
7d	Other meetings	4,340	5,000	-	5,000	3,000	-	3,000	5,000	5,000
7e	Coastal state meetings	-	0	3,000	3,000	3,000	-	3,000	3,000	3,000
8	ICES subscriptions (new MoU in 2007)	160,837	165,000	26,000	191,000	184,363	-	184,363	195,775	200,670
9	Honorarium to President	3,000	3,000	-	3,000	3,000	-	3,000	3,000	3,000
Expenditure total		752,995	760,000	143,000	903,000	787,363	40,777	828,140	878,275	902,920
Review group		20,683	-	-	-	-	-	-	-	-
Transfer to Building Fund		-	-	15,000	15,000	15,000	-	15,000	15,000	15,000
Transfer to General Fund		26,517	-	-	-	89,860	-	89,860	45,250	29,000
Total Expenditure		800,195	760,000	158,000	918,000	892,223	40,777	933,000	938,525	946,920

	INCOME									
10	Members' subscriptions	759,500	741,000	158,000	899,000	741,000	158,000	899,000	909,525	917,920
11	Voluntary Contribution	0	0	0	-	0	0	-	0	-
12	Interest	23,875	18,000	0	18,000	30,000	0	30,000	25,000	25,000
13	Other income	16,820	1,000	0	1,000	4,000	0	4,000	4,000	4,000
	TOTAL INCOME	800,195	760,000	158,000	918,000	775,000	158,000	933,000	938,525	946,920

Annex II

PROPOSAL FOR ADDITIONAL PAYSCALES FOR GENERAL SERVICE STAFF

Background

This item is in response to a point raised at the Extraordinary Meeting in June 2007 and recorded in the report of the Finance and Administration Committee as follows:

Ms Lewsley has reached the top of the General Service category pay scale (which attracts overtime) and does not at this stage wish to become a full time professional staff member; the present arrangement works well for both her and the Secretariat as it allows flexibility. The Chairman suggested the Secretariat should prepare a list of suggested higher pay steps taking account of the difference between current GS category steps. The matter will be discussed further in November.

The UN category does have a G7.XI step but this applies to staff that have been on G7.X for 20 years. Gross increments between steps in the G7 scale average £1,578 per annum or between 3.2-3.65 per cent.

The Secretariat would therefore suggest adopting G7.XI as a standard supplementary increment, without the long service requirement, and creating new levels under G 7 using a differential of 3.2% (the current rate of inflation in the UK at the time of writing [August] is 2.5 per cent).

Annex III

DRAFT GUIDELINES FOR THE SECRETARIAT ON INTERNS

Following several requests for internships from individuals, the Secretariat asked the Finance and Administration Committee for guidelines on this issue. At the Extraordinary Meeting in June 2007:

The Committee agreed that applications for internships should be vetted by all Contracting Parties, that they should be for no longer than two months and should be unpaid. The Chairman asked the Secretariat to clarify the ‘pros’ and ‘cons’ of having interns and report back in November.

The Secretariat has identified the following:

PRO	CON
<ul style="list-style-type: none"> • The ‘right’ person can work on specific tasks that the Secretariat has no time to undertake • Internships could enhance public perception of NEAFC – ‘pro bono’ work 	<ul style="list-style-type: none"> • Training and supervision • Provision of computer • Space constraints • Generally during summer when staff members are normally on holiday though this could be a pro! • Provision of tasks is limited by commitment issues and the training that can be offered • Confidentiality issue - since the intern is not paid they have no or little obligation as they have not signed a contract • Internship programmes better suit larger organisations with a wider range of low-key tasks such as filing, copying, answering phones