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[REVISED DRAFT]

HARBOUR MANAGEMENT COMMITTEE – Terms of Reference

1. Introduction

- 1.1. The Council is the Owner and Statutory Harbour Authority for Southwold Harbour (the 'Harbour').
- 1.2. Under the Constitution, any function of the Council as Harbour Authority is a Cabinet responsibility.
- 1.3. The Cabinet has resolved to dissolve the existing Southwold Harbour Lands Joint Committee and replace it with the Harbour Management Committee (the 'Committee') to manage the Harbour.
- 1.4. The Committee will manage the Harbour in accordance with the provisions of the Harbours Act 1964, the Southwold Harbour Order 1933 and the Harbour Docks and Piers Clauses Act 1847 (as incorporated), as amended from time to time (the 'Harbour Legislation').
- 1.5. The Southwold Harbour Order 1933 includes protective provisions in relation to any sale of the harbour undertaking and the revenue from the harbour undertaking. Further, the Council has endorsed the recommendations made by the Southwold Harbour Lands Joint Committee on 6 March 2019 [and 3 February 2020], including the recommendations that:
 - 1.5.1. the Committee should be established to replace the Southwold Harbour Lands Joint Committee, enable short-term governance improvements and design proposals for long-term improvements, including an application for a Harbour Revision Order to update the Southwold Harbour Order 1933;
 - 1.5.2. when designing these long-term improvements, by applying for a Harbour Revision Order or otherwise:
 - 1.5.2.1. specific safeguards should, subject to legal advice and the requirements of stakeholders, be included to protect income from the Harbour and preserve the Harbour in the ownership of the Council; [and
 - 1.5.2.2. the Committee should consider whether any appropriate additional powers should be sought, including powers of general direction and/or to carry out or fund works to the Blyth estuary, outside the Harbour, for the protection of the Harbour.]

2. Purpose of the Committee

- 2.1. To, in respect of the Harbour, perform functions:
 - 2.1.1. within the definition of a Harbour Authority in Section 57(1) of the Harbours Act 1964 and the Southwold Harbour Order 1933 and the Harbour Docks and Piers Clauses Act 1847 (as incorporated), as amended from time to time; and
 - 2.1.2. arising out of any Byelaws made by the Council under the above legislation.
- 2.2. The discharge of these functions within any policy and budget approved by Council to be delegated as set out in the Memorandum of Understanding between the Committee and the Council.
- 2.3. The Committee shall not incur any expenditure, enter into any obligations or take any other action except:

- 2.3.1. within the budget determined by the Council in accordance with the following provisions; and
- 2.3.2. as set out in the harbour business plan approved by the Cabinet in accordance with the following provisions (the 'Harbour Business Plan').
- 2.4. The Committee shall only make decisions regarding the management, acquisition and disposal of assets in accordance with the Council's acquisitions and disposals policy, financial procedure rules and contracts procedures rules.
- 2.5. The Committee shall not make decisions on the disposal or acquisition of property assets unless:
 - 2.5.1. the decision(s) accord with the provisions of the Harbour Legislation and Council's plans, policies and strategies and in particular the Harbour Business Plan; and
 - 2.5.2. 21 days' prior notice has been given to the Council's Asset Management Service; and
 - 2.5.3. the Cabinet of the Council has not requested that the decision(s) be referred to the Council for consideration and decision; and
 - 2.5.4. it involves a transaction value of £25,000 or less.
- 2.6. The Committee shall not make disposals or acquisitions of assets with a value in excess of £25,000 but shall make recommendations to the Cabinet in respect of such transactions.
- 2.7. The Committee will review and then recommend an annual budget, (including rental charges and central re-charges to the Council) and an annual schedule of charges and dues for the Harbour and these will be determined by the Cabinet.
- 2.8. The Committee will monitor performance against approved budgets and take appropriate action where this is required.
- 2.9. The Committee will make a six monthly and annual report to the Cabinet reporting on performance against budget.
- 2.10. The Committee will publish a Harbour Business Plan and any other plan required from time to time following approval from the Cabinet.
- 2.11. The Harbour Business Plan and other plans should promote the Harbour to be financially self-sustainable in the long term, reducing the risk of the need to call upon the Council's General Fund.

3. Form and Composition

- 3.1. The Committee will be comprised of nine members (9), five (5) elected members ~~of the Cabinet~~ will be appointed by the Cabinet and four (4) non-elected members will be co-opted onto the Committee following an appointment process to assess the skills and expertise that they can bring to the Committee.
- 3.2. The Chair and Vice Chair of the Committee shall be elected members of the Cabinet.
- 3.3. The elected members of the Committee shall be nominated by the Cabinet.
- 3.4. The non-elected members will be recommended to the Cabinet for appointment and their appointment is subject to ratification by the Cabinet. Non-elected members will serve the Committee in accordance with the following arrangements:-
 - 3.4.1. Co-opted Membership for the first term of the Committee shall be as follows:

- 1 Co-opted Member will sit for only 1 year
- 2 Co-opted Members will ~~be nominated by 30% of the Town Council~~ sit for only 2 years
- 1 Co-opted Member will ~~be nominated by 60% of the Town Council~~ sit for a full term of 3 years

- 3.5. Co-opted Members who sit for only one or two years in the first term may be appointed for one or two subsequent three-year terms without further competition being required.
- 3.6. Following this transition period, terms for Co-opted Members will remain at three years from appointment.
- 3.7. A Co-opted Member may be appointed to a second three-year term without recourse to open competition, subject to the agreement of both the Chairman and the Co-opted Member, and the Committee's assessment that the Member has performed satisfactorily during the first term (all Membership of the Committee is subject to ratification by the Cabinet).
- 3.8. Re-appointment of a Co-opted Member for a third term shall involve competition with other candidates.

4. Meetings

- 4.1. The Committee shall meet at least 6 times a year and be governed by the Cabinet Procedure Rules as set out in the Council's Constitution.
- 4.2. All members of the Committee shall abide by the Council's Code of Conduct;
- 4.3. The quorum for meetings of the Committee shall be 5 save that at no time shall there be less than 3 Cabinet elected members present at the meeting.
- 4.4. The Committee shall consider the following business:
 - 4.4.1. Approval of the Minutes of the previous meeting;
 - 4.4.2. Declarations of Interest, if any;
 - 4.4.3. Report and feedback from any Stakeholder Forum(s);
 - 4.4.4. The business otherwise set out on the Agenda for the meeting;
- 4.5. An Annual Meeting of the Committee will take place during the year. This will be an informal meeting and include invitation to all members of Stakeholder Forums.

[Revised Draft MoU]

CR.

Dated

2020

(1) East Suffolk Council

(2) The Southwold Harbour Management Committee

**MEMORANDUM OF UNDERSTANDING
IN RESPECT OF SOUTHWOLD HARBOUR**

DRAFT

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MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made on the _____ day of _____ 2020

Between

East Suffolk Council whose principal place of business is at East Suffolk House, Station Road, Melton, Woodbridge, IP12 1RT (hereinafter referred to as 'the Council')

and

The Southwold Harbour Management Committee (a Committee of the Cabinet of the Council) whose principal place of business is at East Suffolk House, Station Road, Melton, Woodbridge, IP12 1RT (hereinafter referred to as "the HMC")

Who are jointly referred to in this Memorandum of Understanding as 'the Parties'

WHEREAS:

- The Council is the Owner and Statutory Harbour Authority for Southwold Harbour ('the Harbour');
- The Southwold Harbour Lands Joint Committee ("JC") was a Joint Committee of the Cabinet of the Council and Southwold Town Council established on [*please insert date*]. The JC was established to assist with improvement of the governance of the Harbour.
- Following further advice and consultation with stakeholders including the Department for Transport, the JC was dissolved on [*date to be inserted if JC dissolved*] and instead, in accordance with advice from the Department for Transport, the Council at its Cabinet meeting on [*date to be inserted*] resolved to establish the Southwold Harbour Management Committee ('HMC') as a Committee of the Cabinet of the Council pursuant to the provisions of the Local Government and Housing Act 1989 and having regard to the recommendations for governance changes made in the Ports Good Governance Guidance ('PGGG') published by the Department for Transport in March 2018;
- The MOU is made pursuant to the recommendations made in the PGGG. The Parties wish to set out their commitment to implementing the recommendations contained in the PGGG relevant to the establishment of the HMC.

1) Definitions and Abbreviations

For the purposes of this MOU the following definitions and abbreviations shall apply;

- a) The "Assets" shall mean the property, equipment and all other matters set out in the Asset Register at **Annex 3** annexed hereto.
- b) The "Constitution" shall mean the constitution of the Council as amended from time to time.
- c) The "Cabinet" shall mean the Cabinet of the Council.
- d) The "Council" shall mean East Suffolk Council or, as appropriate, the Cabinet.

- e) The "DfT" shall mean the Department for Transport.
- f) The "Harbour" shall mean Southwold Harbour, the limits of which are established under the 1933 Order.
- g) The "Harbour Business Plan" shall mean the Harbour Business Plan for the relevant period as approved by the Cabinet of the Council.
- h) The "Harbour Revenue" shall mean and include the charges dues rates tolls and other moneys and receipts which may be taken and received by way of income from or in respect of the harbour undertaking under the authority of the 1933 Order or the Harbours Act 1964.
- i) "HMC" shall mean the Southwold Harbour Management Committee.
- j) "HMC Guidance Notes" shall mean the guidance notes contained in Annex 4 of this MoU.
- k) "MoU" shall mean Memorandum of Understanding.
- l) The "Parties" shall mean the Council and the HMC.
- m) "PGGG" shall mean the report published by the Department for Transport in March 2018 called *Ports Good Governance Guidance*.
- n) "Terms of Reference" shall mean the matters incorporated into the Constitution under the heading "Harbour Management Committee".
- o) "1933 Order" means the Southwold Harbour Order 1933, as amended from time to time.

2) Purpose of MoU

- a) Subject to the requirements of the Constitution the purpose of this MoU is to
 - (i) Provide a clear framework for the decision making, accountability, and financial management of the Harbour to enable the HMC to address the needs of the Harbour as a business and an environmental and community asset, which takes full account of the commercial realities of municipal port operations; and
 - (ii) Assist in clarifying the role of the HMC to carry out its functions under its Terms of Reference
- b) The statutory role and functions of the Parties are not affected by the requirements of the MoU.
- c) This MoU is a statement of the understanding between the Council and the HMC. The MoU is not, and is not intended to be, legally binding to either Party. The detailed working arrangements may change over time by the agreement of the Council.
- d) The MoU provides that the Harbour will be governed according to best practices as set out in the PGGG.

3) Ports Good Governance Guidance 2018.

- a) The PGGG was published by the DfT in March 2018, following extensive consultation with Industry. It sets out a number of recommendations for the accountability, governance, and finance of statutory harbour authorities and Part C applies specifically to Ports and Harbours within the Municipal Sector.
- b) The PGGG is based on a number of other documents, particularly the UK Corporate Governance Code (UKCGC). It replaces that in previous documents such as Modernising Trust Ports (MTP), published by the then DETR in 2000, its second edition Modernising Trust Ports (MTP2), published by DfT in 2009, and Opportunities for Ports in Local Authority Ownership, published by DfT in 2006. The guidance also reflects the recommendations of the Department's Trust Port Study, published in May 2016.
- c) The PGGG does not have force of law and is not legally binding. It does not replace any legal duties or obligations that SHAs might have in their own legislation or general acts of Parliament, such as the Harbours Act 1964 or the Companies Act 2006. Where such legal duties conflict with the PGGG, the legal duties take precedence.
- d) Whilst the guidance is advisory, the DfT expects all SHAs to carefully consider it and to implement its principles if these are not already in place, where practical and appropriate to the circumstances of the SHA.
- e) It has been agreed by the Council that this MoU is drawn up to address the recommendations contained in the PGGG. An extract from the PGGG related to the establishment of Harbour Management Committees is set out at **Annex 1**.
- f) Following the decision made by the Council at its Cabinet meeting on the **[date to be inserted]** the requirements arising from the PGGG have been considered and an Establishment Plan has been prepared to ensure that all the required topics are properly addressed – see **Annex 2**.
- g) This MoU is prepared on the basis of the findings of the PGGG. However, it is recognised by the Parties that the PGGG deals with short, medium and long term issues. It is fully appreciated that circumstances may change and for this reason a review and monitoring mechanism is essential to underpin this process.
- h) On this basis it is intended that a report will be put to the HMC annually to allow the HMC to review and monitor this MoU and recommend to Cabinet any changes to it as are required by amendments to the PGGG or developments in respect of the PGGG.

4) General Commitments of the Council and the HMC

- a) This MoU records that the Council and HMC have considered the guidance of the PGGG and records the commitment of the Council and the HMC to implement the recommendations contained therein; and
- b) This MoU further records that Council and HMC shall take all reasonable steps to work together constructively to mutually facilitate the implementation of the recommendations contained in the PGGG.

5) Agreements of the Council and HMC

The Council and HMC agree that:

- a) The reporting lines relevant to all Committees of the Cabinet of the Council and pursuant to the provisions of the Local Government and Housing Act 1989 and having regard to the recommendations of the PGGG will be maintained to assist the HMC to carry out its functions under its Terms of Reference.
- b) The HMC will, subject always to the requirements of the Cabinet of the Council, be required to exercise the Council's functions in respect of the Harbour under and in accordance with the Harbours Act 1964, the 1933 Order and the Harbour Docks Piers and Clauses Act 1847 (as incorporated) as amended from time to time.
- c) **Annex 5** sets out the organisational structure that is to be put into place defining the reporting lines between the Parties.
- d) Establishment of **assured accounts**: In accordance with article 41 of the 1933 Order, it is the intention of the Parties that all Harbour Revenue and capital monies are placed into a separate assured account with capital distinguished from revenue. The funds shall be used to allow for the maintenance and upkeep of the Harbour, for implementation of the future business plan of the Harbour and for the Harbour Revenue to be applied in accordance with article 39 of the 1933 Order.
- e) The assured accounts are to include any monies in any reserve fund established under article 38 of the 1933 Order.
- f) Companies Act accounts are to be established and maintained for ease of understanding for the HMC, and to fulfil statutory obligations under the Harbours Act 1964.

6) **Agreement of the Council**

The Council agrees that:

- a) The Assets (including land, buildings, infrastructure, plant and machinery) of the Council that are utilised for the running of the Harbour as listed in **Annex 3** shall be managed by the HMC in accordance with its Terms of Reference, the Harbour Business Plan, the Council's plans and policies and the provisions of this MoU; and
- b) An annual budget including all harbour rental charges and central re-charges will be recommended by the HMC and will then be reviewed and determined by the Cabinet of the Council annually; and
- c) The annual charges and dues for the Harbour will be recommended by the HMC at the same time as the annual budget and will be reviewed and determined by the Cabinet of the Council annually; and
- d) Any shortfall in the Harbour Revenue in any year, shall be managed in accordance with article 40 of the 1933 Order; and
- e) The HMC shall be permitted to obtain specialist services from sources other than the Council by agreement with the Cabinet of the Council where specific expertise is not available from within the Council; and
- f) The Cabinet of the Council will ensure that its aims and objectives for governing and managing the Harbour on its behalf are agreed and clearly set out between the Parties in policies and plans; and

- g) The Council's policies and plans for the Harbour are stated by the Council in the form of the Environmental Policy and the Harbour Business Plan; and
- h) It is the intention of the Parties that these policies and plans will support the Harbour as a financially self-sustainable body, without the need to call upon the Council's General Fund; and
- i) The Cabinet of the Council will consider for approval updated policies and plans proposed by the HMC from time to time, and utilise the skills and experience of the HMC to its best advantage; and
- j) Borrowing facilities may at the Council's discretion be made available to the HMC to fund revenue generating projects in the Harbour where the HMC can demonstrate that such borrowing facilities are consistent with the Council's policies and plans and the 1933 Order; and
- k) The Council will make payments to all HMC members in accordance with the Council's Members' Scheme of Allowances at Part 5 of the Constitution.

7) Agreement of the HMC

The HMC agrees that:

- a) The HMC will manage the Harbour under its delegation from the Cabinet of the Council on its behalf to address the needs of the Harbour as a business and an environmental and community asset, which takes full account of the commercial realities of harbour operations; and
- b) Any matters beyond the delegated authority of the HMC that comes before the HMC for decision will be recommended to the Cabinet of the Council for determination; and
- c) The HMC shall, subject to Clause 7(d) and (e) only make decisions regarding the management, acquisition and disposal of assets in accordance with the Council's acquisitions and disposals policy, financial procedure rules and contracts procedures rules; and
- d) The HMC shall not make decisions on the disposal or acquisition of property assets unless:
 - (i) it accords with the provisions of the 1933 Order and Council's plans, policies and strategies and in particular the Harbour Business Plan; and
 - (ii) 21 days' prior notice has been given to the Council's Asset Management Service; and
 - (iii) The Cabinet of the Council has not requested that the decision(s) be referred to the Council for consideration and decision; and
 - (iv) It involves a transaction value of £25,000 or less; and
- e) The HMC shall not make disposals or acquisitions of assets with a value in excess of £25,000 but shall make recommendations to the Cabinet of the Council in respect of such transactions; and
- f) The HMC will review and then recommend an annual budget, (including rental charges and central re-charges to the Council) and an annual schedule of charges and dues for the Harbour and these will be determined by the Council; and

- g) The HMC will monitor performance against approved budgets and take appropriate action where this is required; and
- h) The HMC make a six monthly and annual report to the Cabinet of the Council reporting on performance against budget; and
- i) The HMC will produce and publish a Harbour Business Plan and any other plan required from time to time following approval from the Cabinet of the Council; and
- j) The Harbour Business Plan and other plans should promote the Harbour to be a financially self-sustainable body in the long term, reducing the risk of the need to call upon the Council's General Fund; and
- k) The HMC will discharge its role in accordance with its Terms of Reference, the HMC Guidance Notes contained in Annex 4 of this MoU, this MoU and with consideration of other relevant policies and plans such as the Port Marine Safety Code, PGGG, Health and Safety at Work legislation, Harbour Byelaws and any other appropriate policies, plans and legislation; and
- l) The HMC will provide an annual report to the Cabinet of the Council on how it is governing the Harbour in a manner that is consistent with relevant policies plans and legislation; and
- m) Borrowing facilities may be requested by the HMC and considered by the Council to fund revenue generating projects in the harbour where the HMC can demonstrate that such borrowing facilities are consistent with the terms of the 1933 Order and Council's policies and plans including the sustainability of the Council's budget; and
- n) The HMC shall consider and make recommendations to the Cabinet of the Council regarding an application for a Harbour Revision Order to modernise the statutory provisions applying in respect of the Harbour, in accordance with the recommendations of the PGGG and the PMSC, and to establish the HMC through statutory provisions; and
- o) The HMC will take all reasonable steps to engage appropriately with the stakeholder community. It will maintain formal links with stakeholder forum(s) as appropriate; and
- p) The HMC will set up a formal Stakeholder Advisory Group that it will consult on all matters substantially affecting the operation of the Harbour.

8) Harbour Revision Order

It is acknowledged that the 1933 Order includes protective provisions in relation to any sale of the harbour undertaking and the Harbour Revenue. Further, the Council has [endorsed] the recommendations made by the Southwold Harbour Lands Joint Committee on 6 March 2019 [and 3 February 2020], including the recommendations that:

- a) the HMC should be established to replace the Southwold Harbour Lands Joint Committee, enable short-term governance improvements and design proposals for long-term improvements, including an application for a Harbour Revision Order to update the 1933 Order;
- b) when designing these long-term improvements, by applying for a Harbour Revision Order or otherwise:

- (i) specific safeguards should, subject to legal advice and the requirements of stakeholders, be included to protect income from the Harbour and preserve the Harbour in the ownership of the Council; [and
- (ii) the Committee should consider whether any appropriate additional powers should be sought, including powers of general direction and/or to carry out or fund works to the Blyth estuary, outside the Harbour, for the protection of the Harbour.]”

9) General

- a) This MoU neither expands nor is in derogation of those powers and authorities vested in the participating Parties by applicable law.
- b) For the avoidance of doubt, the HMC is neither the Designated Person nor the Duty Holder under the Port Marine Safety Code. The Duty Holder is the Cabinet of the Council.

10) Term

- a) This MoU in this form or such amended form as agreed between the Parties shall remain effective for as long as the present governance arrangements are in place.
- b) The Parties shall review this MoU at periods of 12 months, or such earlier period as appropriate should the need arise. The Council may agree to amend this MoU if circumstances dictate.
- c) The MoU may be terminated by resolution of the Council.

11) Data protection and information

- a) The Parties agree to comply with the Data Protection Act 2018, the General Data Protection Regulation, the Freedom of Information Act 2000, the Environmental Information Regulations 2004 and other statutory information regimes.

Signed for and on behalf of
East Suffolk Council

Signed for and on behalf of
Southwold Harbour Management Committee

.....
Chief Executive

.....
Chairperson of Southwold Harbour
Management Committee

Annex 1

Extract from Part C PGGG – Harbour Management Committees

Harbour Management Committees

4.6 Some LAs have established Harbour Management Committees (HMCs) as a means of governing their harbours. These have some of the features of a trust port board or board of a private SHA and are a good example of how corporate governance best practice principles can be applied in the context of local authority harbours.

4.7 The establishment of an HMC (which would be constituted as a committee within the current LA system) can bring openness and additional accountability to port decisions, along with more expertise and experience (as a skills audit will be carried out prior to HMC members being decided upon).

4.8 LAs may wish to consider formally establishing HMCs by legislative routes. The BPA has produced guidance for LAs that have or are planning to put in place HMCs.

Key points are set out in the box below.

Harbour Management Committees

The formation and membership of the committee is critical. It should be strategic and aware of the commercial and legal framework within which ports operate. Based on particular experiences the Committee should ideally comprise:

- approximately 50% LA elected members of a constituent authority. These do not all have to be LA councillors, but can be co-opted representatives who are appointed by the LA or provide specific skills in support of port management;
- the port chief executive/harbour master should have access to the HMC in an advisory role, but as an officer of the Council they cannot serve on the committee or have voting rights;
- external appointees who are stakeholder representatives or individuals with valuable skills and experiences;
- a Chair appointed on merit, skills and suitability;
- external members should be appointed by public advertisement using the guidance applicable to public appointments, in line with the advice given above.

The HMC Chair should ideally be an elected representative of the LA as this will automatically maintain reporting lines and accountability to the Council. Should the LA favour the appointment of an independent Chair, it is important that reporting lines and voting arrangements are clear and in line with LA corporate governance practice.

Before recruiting, local authorities should undertake a skills audit to assess the balance of skills required to effectively govern the port and deliver against the business plan. These skills should be considered for all committee members.

In order for the HMC to operate effectively a formal memorandum of understanding could be established between the harbour committee and the local authority. The memorandum of understanding could set out the recommended ground rules for a framework between the port and its authority.

ANNEX 2

The Harbour Management Committee: Establishment Plan

<i>Ref No.</i>	<i>Activity</i>	<i>Person Responsible</i>	<i>Agreed/Intended Action</i>	<i>Implementation Date</i>	<i>Follow up action</i>
1	Review and Finalise Schedule of Assets	[]	Once complete to be included in Annex 3 of the MoU and MoU to be signed off by [Chief Executive] and Chairperson of the HMC	[]	Review Schedule of Assets on an annual basis
2	Draw up [initial/5 year] Business Plan for Southwold Harbour	[]	Business Plan for Southwold Harbour to be reviewed and recommended by the HMC and then submitted to Cabinet for review and approval.	[]	Business plan to be implemented. Review Business Plan on an annual basis and update 5 yearly.
3	Draw up proposed Budget for 20[]/[] for Southwold Harbour	[]	To submit the proposed Budget for 20[]/[] to HMC for review and recommendation; then Cabinet for review and approval	[]	HMC to report to Cabinet on performance against approved budget every 6 months Prepare new budget for approval annually
4	Prepare Annual Report for Southwold Harbour	[]	Annual Report to be reviewed and approved by HMC and then submitted to Cabinet for review.	[]	Update on an annual basis

Annex 3 – Asset Register

To be completed by the Council and then reviewed and finalised once HMC in place.

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Annex 4 – HMC Guidance Notes

Harbours Management Committee Guidance Notes

A Establishment of the HMC

1. The functions of the Council conferred under the Constitution: Functions within the definition of a Harbour Authority in Section 57(1) of the Harbours Act 1964 for Southwold Harbour and the Southwold Harbour Order 1933 and the Harbour Docks and Piers Clauses Act 1847 (as incorporated).
2. Functions arising out of any Byelaws made by the Council under the above Acts.
3. That the discharge of these functions within any policy and budget approved by the Council be delegated as set out in the Terms of Reference and Memorandum of Understanding between the HMC and the Council.
4. All Meetings of the HMC and subcommittees shall be conducted in accordance with the Council's Cabinet Procedure Rules as set out in pages 75-78 of the Council's Constitution.

B Membership of the HMC

1. The HMC shall consist of nine (9) members, five (5) Members of the Cabinet of the Council and four (4) Co-opted Members. Each Co-opted Member, as far as it is achievable, will be appointed on a 'fit for purpose basis' through assessment of each nominee's skills, knowledge, experience and commitment on matters identified from time to time by a skills audit as being the main skills requirements for the HMC. It is considered that at least one Co-opted Member should be a member of Southwold Town Council.
2. All Members of the HMC, including any Co-opted Members, will be bound by the Suffolk Local Code of Conduct as set out in the Council's Constitution and will be required to sign the declaration of acceptance of office as required by law in any event within 14 days of their appointment. A Co-opted Member is under the same obligations as Members of the Council that appoints the Co-opted Member, and that member must observe the Council's Constitution and most importantly comply with the statutory rules relating to conduct and the disclosure of interests.
3. No Co-opted Member shall act as a Member until that person has made the declaration of acceptance of office; and a Co-opted Member shall cease to be a Member of the HMC if that person fails to make that declaration within three months of his / her appointment.
4. The Chairperson and Vice Chairperson of the HMC shall be elected in accordance with the Council's Constitution. Only Cabinet Members shall be the Chairperson and Vice Chairperson of the HMC.
5. Voting rights – by virtue of the Local Government (Committees and Political Groups) Regulations 1990 (as amended) Regulation 4, a Co-opted Member is entitled to vote on a committee established exclusively for the discharge of the Council's functions as a Harbour Authority. All Co-opted Members shall have full voting rights on all matters before the HMC. The power to co-opt rests with the Cabinet of the Council and not with committees although the selection of persons to serve as co-opted is usually (but not always) left to the committee, such decisions to be taken in accordance with any relevant skills audit and application procedure and ratified by the Cabinet of the Council.
6. Voting at any Meeting of the HMC shall be in accordance with paragraph 8 on pages 5-6 of the Constitution;
7. In the event that an HMC Member other than Council Member does not attend any meetings of the HMC for a period of six months from the date of his or her last attendance, that Member ceases to be

an HMC Member, unless within the period of absence the Council gives approval for this absence. This shall not apply to Council Members whose attendance is regulated by Statute.

8.(i) All HMC Members will attend relevant training to be determined by the Chairperson on the basis of appropriate advice, which shall be founded on best practice.

(ii) All HMC Members will be required to attend Code of Conduct Training.

C Appointments Process

APPOINTED BY

The HMC shall consist of 9 members, 5 Members ~~of~~ the Cabinet of the Council, and 4 Co-opted members. Each Co-opted Member, as far as it is achievable, will be appointed on a 'fit for purpose basis' through assessment of each nominee's skills, knowledge, experience and commitment on matters but not limited to the following:

- management of harbours;
- shipping and other forms of transport;
- local industrial, commercial, financial or legal matters;
- management of marine leisure activities;
- safety or personnel management;
- community issues;
- environmental matters;
- knowledge of port/maritime or other nautical experience;
- any other skills and abilities considered from time to time by the Appointments Panel to be relevant to the discharge by the HMC of its functions;

As stated above, it is considered that it is appropriate that at least one Co-opted Member who is deemed fit for purpose is appointed from Southwold Town Council.

1. Council Members shall be appointed to the HMC by the Cabinet and a Council Member's term shall expire on the fourth day after the date of the next regular election or from the date of their resignation. Council Members' appointments will be governed by the Council's Constitution.

2. The Council shall secure, so far as reasonably practicable, that the Council Members appointed by them will, between them, have special knowledge, experience and ability in a broad and complementary range of matters relevant to the efficient, effective and economic discharge by the HMC of its functions.

3. A Co-opted Member's term of appointment shall be three years from the date of appointment unless the Member shall die, resign or be disqualified;

4. Co-opted HMC Members shall be appointed by the Council for up to 2 full terms, and exceptionally 3 full terms.

5. In order to stagger the appointments process to maintain some continuity of the HMC for Co-opted Membership, the first term shall be as follows:

- 1 Co-opted Member will sit for only 1 year
- 2 Co-opted Members ~~will be nominated by Southwold Town Council and will~~ ^{WILL} sit for only 2 years
- 1 Co-opted Member ~~will be nominated by Southwold Town Council and~~ will sit for a full term of 3 years

Co-opted Members who sit for only one or two years in their first term may be appointed for one or two subsequent three-year terms without further competition being required. Following this transition period, terms for Co-opted Members will remain at three years from appointment.

6. A Co-opted Member may be appointed to a second three-year term without recourse to open competition, subject to the agreement of both the Chairperson and the Member, and the HMC's assessment that the Member has performed satisfactorily during the first term (all Membership of the HMC is subject to ratification by the Council);

7. Re-appointment of a Co-opted Member for a third term shall involve competition with other candidates;

8. Appointments will usually be made by an Appointments Panel consisting of the Chairperson of the HMC, a Co-opted Member of the HMC, and an independent external technical advisor with a thorough understanding of harbour/port governance issues. **THE FIRST APPOINTMENT PANEL SHALL CONSIST OF: ONE MEMBER OF THE COUNCIL, ONE MEMBER OF**

9. The Appointments Panel shall secure, so far as reasonably practicable, that the Co-opted Members appointed by them will, between them, have special knowledge, experience and ability in a broad and complementary range of matters relevant to the efficient, effective and economic discharge by the HMC of its functions. The decisions of the Appointments Panel are subject to ratification by the Council. **SOUTHWOLD TOWN COUNCIL AND AN INDEPENDENT EXTERNAL TECHNICAL ADVISOR WITH A THOROUGH UNDERSTANDING OF HARBOUR / PORT GOVERNANCE ISSUES.**

D Resignation of Members

1. An HMC member, including the Chairperson, may resign his or her office at any time by Notice in writing given to the Council's Monitoring Officer.

E Meetings

1. The HMC shall meet at least 6 times a year and be governed by the Cabinet Procedure Rules as set out in the Council's Constitution;

2. The quorum for meetings of the HMC shall be 5 save that at no time shall there be less than 3 Council Members present at the Meeting.

3. The HMC shall consider the following business:

- i. Approval of the Minutes of the previous meeting;
- ii. Declarations of Interest, if any;
- iii. Report and feedback from Stakeholder Forums;
- iv. The business otherwise set out on the Agenda for the meeting;

4. Agendas

(i) a copy of the agenda including the item, or a copy of the item, shall be open to inspection by members of the public at least 5 clear working days before the meeting or, where the meeting is convened at shorter notice, from the time the meeting is convened; unless

(ii) by reason of special circumstance, which shall be specified in the Minutes, the Chairperson of the meeting is of the opinion that the item should be considered as a matter of urgency.

5. Annual Meeting

An Annual Meeting of the HMC will take place during the year. This will be an informal meeting and include invitation to all members of Stakeholder Forums.

F Declaration of Interests

1. A Co-opted Member shall be under the same obligations as Members of the Council that appoint that person and that person must observe the Council's Standing Orders and comply with the statutory rules relating to the disclosure of interests.

2. All HMC members will be governed by the Suffolk Local Code of Conduct which details interests which need to be declared.

3. The Council maintains and regularly updates a register of interests declared by Members, and shall make the register available for inspection by members of the public at all times during usual office hours.

G Payments to Members

1. [The Chairperson of the HMC shall receive a Special Responsibility Allowance in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended).]
2. The HMC may pay to Co-opted Members such expenses for travelling, subsistence [and attendance] allowances on the same basis as Members of the Council.

H Stakeholder Forums

1. To ensure that the HMC has strong and direct links with both harbour users, local communities and other external organisations with an interest in the HMC area, a formal consultation mechanism will be established. This will enable Stakeholder Forums to formally make representations to the HMC;
2. No Member of the HMC will have a position on the Stakeholder Forums. The Harbour Master (or authorised deputy) and an HMC Member may attend as observers.
3. The HMC may choose to appoint other Stakeholder Forums at its discretion.
4. The HMC will establish a formal stakeholder Advisory Group that it will consult on all matters substantially affecting the Harbour.

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Schedule 1 : Declaration of Acceptance of Office – Co-opted Members East Suffolk Council

I.....being a Co-opted Member of East Suffolk Council, declare that I will duly and faithfully fulfil the requirements of this role according to the best of my judgement and ability.

I undertake to observe the Suffolk Local Code of Conduct as to the conduct which is expected of Members and Co-opted Members of East Suffolk Council.

I agree to undergo a Criminal Records Bureau (CRB) check unless I have been the subject of a CRB check within the previous twelve months of my election or appointment, and if so, I shall notify the Monitoring Officer of the outcome of such a check.

Signed Date

Signed Date
[Monitoring/Deputy Monitoring Officer]

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Annex 5 – Organisational Structure

To be inserted

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