

NEWPORT HARBOUR COMMISSIONERS

FINANCE POLICY

1.1 The overall aim of the Newport Harbour Commissioners (“NHC”) is to generate sufficient funds, primarily from Harbour Dues, to allow their duties, as set out in Statute, to be undertaken in an efficient, effective and economic manner.

1.2 The level of Harbour Dues will be kept under constant review. In addition, a detailed review will be recorded formally at both the December meeting of the Commissioners and the meeting, typically in March of each year, where the annual budget is discussed and approved. Where an amendment to Harbour Dues is agreed, this information will be disseminated to all stakeholders as soon as possible.

1.3 When setting the level of Harbour Due to be levied, NHC will have due regard to, inter alia:

- a) The predicted level of shipping (measured in tonnage terms) that will be utilising the Harbour over the next 12 months
- b) The level of any other income to be generated (e.g. Investment income)
- c) On-going costs to be defrayed in undertaking the duties of the Commissioners
- d) The financial implications of the 1916 Act of Parliament dealing with the funding of the costs of dredging the main channel at the Harbour of Newport
- d) Any known “one-off” material costs to be incurred in the future
- e) The appropriate level of reserves to be maintained by NHC (see 1.4 below)

1.4 NHC will maintain a level of reserves deemed appropriate by the Board. This level will be subject to review on an annual basis (review to be formally minuted at the meeting that the annual budget is confirmed). The current policy is that reserves maintained should be approximately equivalent to 12 months average expenditure.

1.5 Other working policies include:

- a) All payments without exception will be approved by the NHC Board.
- b) All cheque payments will be signed by 2 Commissioners. In rare exceptions where this is not possible (e.g. illness), the Secretary will act as the second signature
- c) If an emergency payment is required in advance of the Board meeting, the Chairman may, in exceptional circumstances, approve a payment. This is subject to later approval by the Board. Wherever possible in this circumstance, the Chairman will discuss the matter with the Vice-Chairman and any other Commissioner he deems appropriate in advance of giving his approval,

JUNE 2013