

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

EXECUTIVE MEETING

Hybrid Meeting Virtual/Meeting Room A, County Hall, Cross Street, Beverley, HU17 9BA

Thursday 30 March 2023

AGENDA

1. Apologies for absence
2. Declaration of Personal or Prejudicial Interests – Members to declare any interests in items on the Agenda and the nature of such interests
3. To take the notes of the meeting held on 21 September 2022 as a correct record (*pages 1-6*)
4. To take the notes of the special meeting held on 23 January 2023 as a correct record (*pages 7-10*)

Items for Decision

5. NEIFCA Annual Plan 2023/2024 (*Pages 11-24*)
6. Revenue Budget 2023/2024 (*Pages 25-30*)
7. Budget Report 2022/2023 (*Pages 31-34*)
8. Risk Management Strategy & Strategic and Operational Risk Register Reviews (*Pages 35-52*)
9. NEIFCA Health & Safety Policy & Safe Working Practices 2023/2024 (*Pages 53-54*)

Items for Discussion

10. Tees & North Yorkshire Shellfish Mortality Update (*Pages 55-62*)
11. Chief Officer's Operational Update (*Pages 63-65*)

Any other items which the Chairman decides are urgent by reason of special circumstances which must be specified

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

MEETING OF THE EXECUTIVE COMMITTEE

21 SEPTEMBER 2022

Present

Dr Stephen Axford
Prof Mike Elliott
Cllr Ron Allcock
Mr Graham Collins

Representing

Chairman
MMO appointee
North Lincolnshire Council
MMO appointee

Clerk Caroline Lacey, East Riding of Yorkshire, Stephen Chandler, Treasurer, East Riding of Yorkshire Council and David McCandless, Chief Officer also attended the meeting.

The meeting took place at County Hall, Beverley, members also had the option to dial into the meeting via zoom, the meeting commenced at 10.30am.

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| 32. | APOLOGIES |
| | Apologies for absence were received from Councillor Randerson and Mr Gary Redshaw |
| 33. | DECLARATION OF PERSONAL OR PREJUDICIAL INTERESTS |
| | Resolved – The Clerk asked Members to declare any personal or prejudicial interests with respect to items on the Agenda and the nature of such interests. No such interests were declared. |
| 34. | TO TAKE NOTES OF THE MEETING HELD ON 10 MARCH 2022 AS A CORRECT RECORD |
| | Resolved – That the minutes of the meeting held on 10 March 2022 be approved as a correct record and signed by the Chairman. |
| 35. | BUDGET MONITORING |
| | The Treasurer presented a report to advise Members of the budget position at the end of month 04 (July) 2022/2023. At the end of July 2022, the Authority has net expenditure of £425,921 against an expected £438,838 underspending by £12,918. The forecast outturn underspend is £33,254 mainly due to recharge income from NEIFCA employees working on the European Lobster Settlement Index project. It was anticipated that the outturn position will be an underspend of £33,254 in addition to the planned transfer of £102,900 plus accrued interest into the Renewals Fund and £10,000 into the Vehicle Replacement Reserve. In August 2022 the Authority's patrol vessel, the North-East Guardian III experienced mechanical engine failure in the main engine. Following an initial in-situ inspection by engineers the main engine and second engine were removed and transferred to NEIFCA's storage facility in Whitby. A further inspection recommended repairs to the main engine along with an overhaul of the second engine as well as the gearboxes. Quotes were obtained from the manufacturer, Finning/CAT, and a decision to award the contract and commence a detailed inspection has been taken under the 'For urgent repairs to plant or machinery' and 'Repairs to plant or |

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| | <p>machinery which can only be carried out by the manufacturer's exemptions in the Standing Orders. The total cost of the work was uncertain but was currently estimated to be up to £300,000. NEIFCA's vessel insurers had been informed. The cost to be funded by NEIFCA could be in the range of £180,000 to £300,000 depending on the assessment made by the insurers. Once the work is undertaken, this will significantly increase the value of the vessel when sold. Due to the additional financial pressure on NEIFCA it was proposed that the planned £30,000 expenditure on replacing the Electronic Charting Display and Information System (ECDIS) funded from the Patrol Vessel Maintenance Reserve and approved by the Executive on 10 March 2022 is no longer progressed. It is proposed that a supplementary budget is approved in principle to allow the cost of the engine repair and overhaul to be funded by a combination of in-year underspends, the Patrol Vessel Maintenance Reserve, and any insurance settlement, with the remaining balance to be funded from the Renewals Fund.</p> |
| | <p>Resolved – (a) That the budget monitoring position is noted. (b) That a supplementary budget to fund the cost of the repair of the main engine on the patrol vessel, North-East Guardian III and associated refurbishment of the second engine, currently estimated to cost £300,000 is approved in principle, funded by a combination of in-year underspends, vessel insurance, the Patrol Vessel Maintenance Reserve and Renewals Fund. (c) That the planned £30,000 expenditure on replacing the Electronic Charting Display and Information System (ECDIS) funded by the Patrol Vessel Maintenance Reserve and approved by the Executive on 10 March 2022 is no longer progressed.</p> |
| 36. | STRATEGIC AND OPERATIONAL RISK REGISTER REVIEW |
| | <p>The Clerk presented a report to inform members that in accordance with the Authority's Risk Management Strategy, a six monthly review of the Strategic and Operational Risk Registers has been undertaken and is reported for information.</p> <p>Considerations surrounding the current vacancy for the Senior Environmental Officer were discussed with the position being a key leadership role. Recruitment is ongoing with Environmental Officer Ralf Bublitz taking an interim role.</p> <p>Current standing orders to be reviewed regarding 'in person' meeting attendance and hybrid decision making.</p> |
| | Resolved – That the revised Strategic and Operational Risk Register be reviewed in six months' time. |
| 37. | EXCLUSION OF THE PUBLIC |
| | <p>That the public be excluded from the meeting for consideration of the following item (Minutes 38) on the grounds that it involves the likely disclosure of exempt information defined in Paragraphs 8 and 9 of part 1 of Schedule 12A of the Local Government Act 1972.</p> |
| | Resolved – that the public be excluded from the meeting for consideration of the following item (minutes 38). |
| 38. | NEIFCA PERMIT APPLICATION APPEAL – SCALLOP DREDGING – |
| | <p>The Clerk presented a report to inform and update members on the permit application process associated with the 2022/2023 scallop dredging fishery and to present one written appeal for review, consideration and ruling. Under provisions contained within byelaw regulation XXIII 'Method and Area of Fishing (Scallop Dredges) Byelaw 2015'.</p> |
| | Resolved – (a) That members note the report. |

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| 39. | CHIEF OFFICERS OPERATIONAL UPDATE |
| | <p>The chief officer presented a report to provide an operational update covering the period June to August 2022.</p> <p>The report focused on the serious engine failure of North Eastern Guardian III. Having the main vessel out of commission for a period will undoubtedly impact on service delivery in terms of offshore enforcement and compliance work and the planned offshore survey programme including the European Lobster Settlement Index (ELSI) project. A proportion of offshore enforcement and compliance work can be covered by the Authority's stand-alone rigid inflatable boats (RIBS) but this is highly dependent on favourable weather with operations restricted to more central areas of the IFCA district.</p> <p>Members discussed the considerations of a prolonged period of time without the main patrol vessel and the long-term impact on the annual plan. Northumberland IFCA and HFIG can provide short term support for imminent projects and enforcement.</p> <p>Members also discussed the upcoming vessel replacement project under a finance arrangement managed by East Riding of Yorkshire Council (ERYC) with oversight delegated to the Executive Committee. Officers are now working up a project plan incorporating key milestones and timelines. This initial work also included the identification of potential manufacturers and the development of and circulation of an outline specification to gauge interest. Once the project plan has been set and the early preparatory work has advanced, a programme of Executive Committee meetings will be scheduled to support key decision making.</p> <p>An update was given on current Shellfish Management Proposals with a new byelaw discussed. Officers are currently collating responses from the informal consultation and preparation for formal consultation will be underway shortly.</p> <p>Members discussed the ongoing situation with the Tees and North Yorkshire Shellfish Mortality incident. Lobster landings have increased throughout the district in line or above mean seasonal trends. Landings of edible crab, however, have remained low particularly at Redcar and Whitby alongside growing concern about the potential impacts of the larger, offshore fishery on associated stocks. Officers are continuing to work actively with the potting sector through regular meetings, closely monitoring landings and trends in catches and carrying out observer and monitoring trips to sea. Continuing collaborative work had also been maintained with partner agencies including the Environment Agency (EA), Marine Management Organisation (MMO) and the Centre for Environment Fisheries and Aquaculture Science (CEFAS). Officers have also actively engaged in the independent collaborative research commissioned directly by the Whitby fishing industry group through the Authority's Science Advisory Group. Some key concerns remain over the long-term impacts of the shellfish mortality event particularly on crab stocks and the wider marine environment, but these can only be fully assessed through the extent of a full fishing season.</p> <p>Covid-19 remained a consideration but operational activity had now moved to 'business as usual'. In terms of ensuring the continuing protection of staff from the effects of the Covid-19 virus, the focus had shifted to maintaining sensible precautionary measures with staff receiving free testing kits.</p> <p>The Chief Officer updated on National workstreams focusing on the report into the Conduct and Operation of IFCA's carried out every 4 years and due in 2022. The first stage would involve the submission of a self-assessment from each IFCA Chief Officer, which members requested be circulated amongst the authority. Members would also be asked to take part in the review electronically.</p> |
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| | Resolved - (a) Members noted the report |
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| 40. | NEIFCA HEALTH AND SAFETY POLICY & SAFE WORKING PRACTICES |
| | 2022/2023 |
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| | The Chief Officer presented a report to inform members of the completion of the Annual review of the Authority's Health & Safety provisions. The Chief Officer was pleased to advise that there had been no notable incidents or accidents to report. The Chief also reassured members that all staff are correctly trained in all aspects of their role and will continue to monitor this on a regular basis. |
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| | Resolved – Members noted the report. |
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| 41. | NEIFCA PERMITTED INTERTIDAL FIXED NET FISHERY |
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| | The Chief Officer presented a report to update members on revised arrangements for administering the Holderness Coast permitted intertidal fishery during the period 1 October 2022 to 30 April 2023. At the Authority meeting held on 8 June 2022 members received a report outlining proposed arrangements for assessing applications and issuing permits for the 2022/2023 fixed net fisheries. Members were advised that if there were to be any unforeseen changes in the legislative framework officers would consult again prior to taking any further action. Whilst the supporting national legislative framework has remained unchanged the Authority's legal advisors have been managing a sustained external challenge directed at the permitted intertidal fixed net fishery. That challenge continued to focus on the extent of sea bass catches taken within the fishery and the number of nets permitted to be set. Although officers consider that the current byelaw provisions do not technically breach national legislation, following extensive consideration, independent legal guidance and consultation with Defra, it now intended to apply an additional voluntary code on the five intertidal permit holders. This voluntary code would require each permit holder to set just one section or length of net up to a maximum length of 250m which must carry a unique tag issued by NEIFCA. Permit holders would also be required to take what steps they can to minimise the take of sea bass within the associated fishery. This voluntary arrangement would apply between 1 October 2022 and the 30 April 2023 inclusive. Members unanimously agreed to endorse the arrangements. |
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| | Resolved – (a) Members note the report. (b) Members endorse the arrangements. |
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| 42. | ANY OTHER BUSINESS |
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| | Nothing to report. |
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| | The meeting closed at 12:03 |

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NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

MEETING OF THE EXECUTIVE COMMITTEE

23 JANUARY 2023

Present

Dr Stephen Axford
Cllr Ron Allcock
Mr Graham Collins
Prof Mike Elliott
Cllr Tony Randerson
Mr Andy Wheeler

Representing

Chairman
North Lincolnshire Council
MMO appointee
MMO appointee
North Yorkshire Council
MMO appointee

Clerk Caroline Lacey, Clerk, East Riding of Yorkshire, Stephen Chandler, Treasurer, East Riding of Yorkshire Council, David McCandless, Chief Officer and Ian Davies, Deputy Chief Officer also attended the meeting.

The meeting took place virtually via Zoom, the meeting commenced at 11:00am.

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| 43. | APOLOGIES |
| | Apologies for absence were received from MMO appointee Redshaw. |
| 44. | DECLARATION OF PERSONAL OR PREJUDICIAL INTERESTS |
| | Resolved – The Clerk asked Members to declare any personal or prejudicial interests with respect to items on the Agenda and the nature of such interests. No such interests were declared. |
| 45. | NEIFCA VESSEL REPLACEMENT UPDATE – REPLACEMENT OF MAIN VESSEL |
| | <p>The Chief and Deputy Chief Officer presented a report to update members on progress with the replacement of the Authority’s main offshore vessel. At a meeting of the Authority held on 8 June 2022 members received a detailed report from the Clerk, Treasurer and Chief Officer setting out a proposed process to support the replacement of the Authority’s main patrol vessel <i>North Eastern Guardian III</i> (NEG III). Following the meeting held on 8 June 2022 a technical support group was established comprising of the Chief, Deputy Chief, NEIFCA Operational Support Manager, legal, finance and procurement leads and chaired by the Treasurer to support the delivery of the preparatory work including agreeing project leads, setting a provisional timetable, and finalising the procurement and contractual documentation. Through the technical group, an updated business case, procurement framework and outline vessel specification had been developed to support the first phase of the preparatory work to establish a cost. Copies of the updated business case, outline specification and technical specification were attached to the reports for members information.</p> <p>The updated business case provided a detailed summary of the key drivers and considerations that had informed decision making on the recommended type and class of replacement vessel required. It was now considered that a 24 m aluminium multi hulled vessel with a forward</p> |

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| | <p>wheelhouse and superstructure would provide the optimum solution to meet both the Authority’s current and future operational needs. The Deputy Chief officer provided an comprehensive overview of the technical specification including the reasoning behind the design, dimensions and Hull form. The Deputy Chief officer explained that there was an element of flexibility in the design specification as it was hoped the Authority could utilise a proven vessel design to avoid unnecessary cost implications. The Deputy Chief officer informed members that throughout the premarket engagement, he had observed a vast difference in the level of quality and finish produced by various yards, the technical specification had been developed to allow yards the opportunity to put forward their own recommendations in terms of electronics, powering, and machinery. These products evolve rapidly and would also provide an indication on the overall standard of the yard depending on the type of products they suggest. Going out to tender represented the first phase of the preparatory work to ascertain an accurate build cost. Current estimates of cost are wide and varied ranging from £4.5 million upwards depending on shipyard location, design, component specification and quality.</p> <p>Following receipt of the tenders a technical panel will be convened to assess and identify a preferred bidder and a further meeting of the Executive Committee will be set to provisionally review the outcome, agree the next steps, and provide a formal recommendation to the Authority for final decision sometime during May 2023.</p> <p>Members commended the technical specification and the level of detail included. Members sought reassurance that the environmental impacts and carbon footprint had been considered as part of the design, alongside noise protection. The Deputy Chief officer reassured members that all these elements had been included as part of the specification.</p> |
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| | <p>Resolved – members endorsed the progression of the preparatory work through the next stage tender process.</p> |
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| 46. | NEIFCA BYELAW UPDATE |
| | <p>The Chief Officer presented a report to inform Members on progress with the following byelaws which were made at a meeting of the Authority held on 1 December 2022:</p> <p>XXVIII Shellfish Permit Byelaw 2022</p> <p>At the Authority meeting held on 1 December 2022 members supported the making of a new byelaw XXVIII Shellfish Permit Byelaw 2022. The key aims of the new byelaw are to consolidate existing byelaw regulations and to introduce an effort management system for commercial potting within the district. The provisions contained within the byelaw will be applied via conditions attached to the permit which can be varied following an appropriate review process, without the need to formally remake the whole byelaw. Following the making of the byelaw on 1 December 2022 it had been subject to further internal quality assurance check prior to submission to the MMO IFCA byelaw team and commencement of the formal statutory consultation process. The Chief Officer advised members that a point of clarification had been added to the draft byelaw surrounding the first application process which would be prioritised to existing permit holders as of the date of making, 1 December 2022. This was considered a minor addition. A copy of the updated draft byelaw was included in the report for members information.</p> <p>XXIX Humber Estuary Fishing Byelaw 2022</p> <p>At the Authority meeting held on 1 December 2022 members supported the making of a new byelaw XXIX Humber Estuary Fishing Byelaw 2022. Whilst retaining all existing management measures in relation to fishing activities within the boundaries of the Humber Estuary the new byelaw included a revision to the boundaries of an existing protected area to support the expansion of eel grass habitat. Although the draft byelaw was also currently subject to internal quality assurance no changes or alterations have been made.</p> |

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| | <p>Final confirmation of both byelaws is expected towards the end of May 2023. Members raised some concerns regarding the Shellfish Permit Byelaw and the mechanisms in place to allow permits to be transferred, the Chief Officer informed members that this provision would be considered further as part of the internal quality assurance.</p> <p>The Chief Officer indicated that both byelaws were running approximately 1 month behind the planned schedule.</p> |
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| | Resolved – Members noted the report. |
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| 42. | ANY OTHER BUSINESS |
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| | <p>MMO Appointee Professor Mike Elliott queried whether the Authority had been requested to submit a formal response to the Independent Expert Assessment report on the Shellfish Mortality incident. It was agreed at the meeting that the report would be discussed at the next meeting of the Science Advisory Group, and they would consider a response on behalf of the Authority.</p> |
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| | The meeting closed at 12:20 |

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NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Report to: Executive Committee
14 March 2023

NEIFCA Annual Plan 2023/2024

Report by the Clerk & Chief Officer.

A. Purpose of Report

1. To review the Annual Plan for the year 2023/2024.
2. To authorise the drafting of an accompanying annual report, summarising the Authority's main activities and outputs during the 2022/2023 year.

B. Recommendation

1. That members endorse the content of the draft Annual Plan framework for 2023/2024 to be prepared for publication and subsequent submission to Defra.
2. That members authorise the drafting of an annual report, summarising the Authority's main activities and outputs during the 2021/2022 year for review by the Authority at the June 2022 meeting.

1. Background

- 1.1 Section 177 of the 2009 Marine and Coastal Access Act places a statutory duty on Inshore Fisheries and Conservation Authorities (IFCA's) to make and publish an annual plan which sets out the main objectives and priorities for the year ahead.
- 1.2 A draft framework covering the new 2023/2024 year is attached for members review and at the time of writing this report, work has commenced with the ERYC print and design team to develop a first draft for publishing and submission to Defra. It is hoped that this first draft will be available for circulation to members in advance of the meeting on 14 March.
- 1.3 Key areas of work for the year ahead include: Progressing the replacement of the main patrol vessel through tender, award of contract and subject to Authority approval, commencement of build potentially late summer 2023; Furthering the development of the new fisheries permitting database which will include a pilot trial with the fishing industry to advance the submission of electronic catch and effort returns; Delivery of the second and final year of the Defra funded European Lobster Settlement Index (ELSI) project in partnership with the Holderness Fishing Industry Group; Continued monitoring of the health of crab and lobster stocks across the district, particularly surrounding the Tees and North Yorkshire following the mortality event which occurred at the end of 2021; Commencement of formal consultation of the new shellfish management byelaw regulation, later spring 2023 followed by ministerial confirmation and implementation in advance of the start of the 2024 season.

1.4 Alongside organisational and regional priorities the Authority will continue to provide active engagement and support to the delivery of ongoing national work streams including the development and implementation of Fisheries Management Plans.

Contact Officer

David McCandless, Chief Officer,
Ext. 3690

Forward

The preceding year was characterised by organisational transition out of the impacts of the COVID-19 global pandemic and re-establishment of impacted programmes. The year itself presented some notable challenges, not least supporting the Defra led investigations into the shellfish mortalities which occurred off the Tees and North Yorkshire coast at the end of 2021. Despite such challenges there were some significant achievements including the implementation of a new fisheries permitting database and the successful delivery of the first year of the European Lobster Settlement Index (ELSI) Project in partnership with the Holderness Fishing industry Group (HFIG). Very notable progress has also been made on the replacement of the Authority's main offshore vessel, North Eastern Guardian III (NEGIII) following the commencement of a tender process at the beginning of March 2023.

This plan sets out the key priorities for the new year ahead which include the piloting and implementation of a new online catch and effort reporting system, formal consultation and confirmation of a new shellfish management byelaw regulation and further advancement of the replacement of NEG III.

Finally, I would like to pass on my very best wishes for 2023/2024 to all NEIFCA staff, officers and members and in particular those that have recently been recruited or appointed into the Authority.

Clerk of the Authority

Introduction

PLAN CONTENT

This thirteenth Annual Plan for North Eastern Inshore Fisheries and Conservation Authority was developed through its main committee and internal working groups. The plan sets out the main performance targets and objectives for the year ahead, facilitating effective performance management and staff development. This plan will continue to be reviewed and updated annually to reflect improvements in performance brought about by achieved targets and any changes in national objectives and success criteria.

FUNCTIONS

The Authority is responsible for managing the exploitation of sea fisheries resources within its area of jurisdiction. This includes all animals and plants which habitually live or are cultivated in the sea. In delivering this function the Authority is required to ensure that all exploitation and development, taking place within its District, is sustainable and socio-economic needs are balanced with marine environmental protection. The Authority is also required to balance the needs of all stakeholders exploiting resources within its district and further the conservation objectives of any Marine Conservation Zones (MCZs). The Authority's principal enforcement functions relate to minimum landing sizes, net and fishing gear regulations, restricted fishing areas, the protection of European Marine Sites (EMSs) and Marine Conservation Zones (MCZs). Apart from the enforcement of these regulations, the Authority's main fisheries vessel, North Eastern Guardian III (NEG III) also plays a central role in monitoring the impact of offshore activities through the digital recording of sightings

information, water column sampling (including temperature, salinity, turbidity, dissolved oxygen), acoustical seabed assessment, underwater and remote camera assessment, grab sampling and wider fisheries stock assessment work using a range of trawls and dredges. The Authority can make byelaws (subject to final confirmation by the Department of Environment, Food and Rural Affairs) to address a wide range of local fisheries and marine environmental management issues. This also extends to emergency byelaw regulations which are time limited to a maximum period of eighteen months.

Environmental Responsibility

The Authority's role in marine conservation and protection continues to develop. The 2009 Marine and Coastal Access Act provides clear duties to ensure that any exploitation of sea fisheries resources is carried out in a sustainable way and the conservation objectives of Marine Conservation Zones are furthered. There are currently two Marine Conservation Zones designated within the Authority's jurisdiction: Holderness Inshore and Runswick Bay. The Authority is also a statutory consultee for all marine licensing applications and consents occurring within its area of jurisdiction. These include applications relating to the discharge of effluents, marine water extraction, removal and deposition of dredged materials, harbour and coastal construction projects, scientific investigations and renewable energy projects. The Marine Management Organisation (MMO) acts as the primary consultative 'hub' for the majority of licensing applications and consents involving construction. The majority of consultations are now dealt with electronically via a national system operated by the MMO.

Key Authority Officers are registered on this system and receive electronic alerts when relevant licensing consents are opened for consultation, comments are then drafted and submitted electronically on behalf of the Authority. This work is currently led by the Acting Environmental and Scientific Manager. Any consents relating to discharge or extraction are managed by the Environment Agency and a similar electronic consultation process is in place to deal with those also. In addition, the Authority is also a "Relevant and Competent Authority" under the Conservation (Natural Habitats &c) Regulations 1994. This means that the Authority, along with other partners, have a statutory duty to ensure that the conservation objectives of European marine sites are upheld. Currently five European Marine Sites are designated within the Authority's jurisdiction: Northumbria Coast, Teesmouth and Cleveland Coast, Flamborough Head, Humber Estuary and the Greater Wash site. During 2012 DEFRA commenced a project aimed at strengthening the assessment and management of fishing activities within European Marine Sites to ensure much greater compliance with Article 6 of the Habitats Directive. This revised approach was subsequently extended to include Marine Conservation Zones. All UK sites and associated fishing activities have now been categorised according to their features and the level of risk presented by both current and potential fishing activities. Each site is subject to ongoing monitoring and assessment of the potential impacts arising from fishing activity. This allows tailored management to be introduced to protect and conserve sensitive environmental features such as salt marsh or sub-tidal reef habitat. Many sites have established management schemes in place that help to coordinate the work of relevant Authorities, including IFCAs, through a formal management group. NEIFCA officers are actively involved in these groups and are currently playing a crucial role in the development of new, regional management groups.

North Eastern IFCA District

map

Funding

Budget breakdown for 2023/2024 still to be approved.

Assets

The Authority's largest asset is a 26m-patrol boat, the 'North Eastern Guardian III' NEGIII (built and delivered November 2007), capable of a top speed of 26 knots. The vessel was designed, primarily as a fast patrol craft although it is also routinely utilised to conduct limited offshore marine survey work and carries a 6.4 metre RIB capable of speeds up to 30 knots. The vessel is ageing and during July 2022 suffered a major engine failure which necessitated significant investment to repair. Following delivery of North Eastern Guardian III in 2007, the Authority established a renewals fund to support its replacement underpinned by a well defined vessel replacement plan. As part of that plan the Authority purchased a new 9.5m cabin rigid inflatable boat (RIB) in 2020. This new vessel came into service in July 2021 and will significantly strengthen the Authority's offshore patrolling capabilities going forward.

At a meeting of the Authority in June 2022 members supported a plan to progress the replacement of NEGIII and a formal procurement process commenced at the beginning of March 2023 to establish a cost to build and commission a new vessel. Subject to final Authority approvals a contract could be awarded sometime later summer 2023.

The Authority currently owns a 4x4 truck and an SUV. In addition to a transporter van, it also owns two pick-up trucks and a small caddy van. All the vehicles are used to transport and launch vessels and equipment and access coastal and estuarine areas. The Authority employs fourteen dedicated staff members with a wide variety of expertise and high levels of competency.

Staff and Structure

NEIFCA is a direct employer with an establishment currently comprising a Chief Officer (CO); Shore Operations Manager and two Inshore Fisheries and Conservation Officers (IFCOs); Environmental and Scientific Manager and two Environmental and Scientific Officers; Offshore Operations Manager and First Mate, First Engineer, IFCO Crew Engineer, IFCO Crew and Environmental and Scientific Officer and IFCO Crew; Operational Support Manager and Assistant Support Officer. The Offshore Operations Manager also acts as Deputy Chief Officer (DCO) providing management and leadership across all 'day to day' operational activity and support to the CO. The CO heads NEIFCA's operational delivery and alongside the DCO, is supported by a Senior Management Team comprising of the First Mate, First Engineer, Shore Operations Manager, Environmental & Scientific Manager and Operational Support Manager.

Service Standards

- Staff will identify themselves when dealing with you
- Respond to general correspondence within ten working days
- Respond to email correspondence within five working days (we will respond by email)
- Deal with complaints in accordance with the feedback procedure
- Be courteous and helpful
- Provide information on our services and facilities
- Consult on important issues and ask your views about our services
- Provide confidential interview facilities
- Provide an SF1 inspection record form at the end of any premise, vessel, vehicle or person inspection

- In terms of any formal prosecutions, all proceedings to have commenced within six months of the detection of the original offence

Training and Development

Following the completion of the staffing and organisational review in December 2020 the Authority's commitment to the training and development of its staff will be further enhanced through 2023. Where possible and practicable this will include active integration with national IFCA officer training programmes. A new annual appraisal process was implemented during November 2021 and is now well embedded in. This process is central to supporting the ongoing training, development and support needs of all NEIFCA staff. Annual appraisals are typically held between November and January with 'mid-term' reviews completed during June. All training and development needs identified through the appraisal process, are incorporated into a training plan which is centrally managed within the support team. The Appraisal process also links to progression through the Authority's new pay structure. Alongside annual appraisals for established staff, the training, development and support needs of newly appointed staff continue to be actively managed through NEIFCA's probation programme.

It is important that training and development activities are focused on those areas which are relevant to the workplace and that there is the commitment from both the employee and manager. The Authority views training and development in a much wider and holistic sense, including not only specific formal 'classroom' based training courses but also conferences, seminars, workshops, presentations to external groups and representing NEIFCA at relevant public events.

Core Strategies

The work of the Authority is guided by a number of core or 'key' strategies and policies which are integral to this plan and its successful implementation. These strategies are reviewed and updated regularly by the Authority. The Risk Management Policy and associated risk registers are reviewed and considered on a minimum sixth monthly basis. Other strategies, such as enforcement and compliance and research are reviewed on an annual basis. The core or key policies which inform the work of NEIFCA are summarised as follows:

ENFORCEMENT AND COMPLIANCE POLICY

The enforcement policy statement has been drafted in accordance with the Regulators' Compliance Code and the regulatory principles required under the Legislative Regulatory Reform Act 2006. It sets out the general principles and approach which NEIFCA will follow. The appropriate use of enforcement powers, including prosecution, is important both to improve compliance with the legislation and to hold those to account who cause significant harm to marine ecosystems.

RESEARCH STRATEGIES

The Authority's research work includes fisheries stock assessment programmes, environmental research and monitoring work and occasional 'ad hoc' project initiatives. This work is supported and informed by an annual research strategy and five-year strategic plan. The content of the research strategy is agreed annually by the Authority's Science Advisory Group and reviewed throughout the year. The strategy can also be updated to support the planning and delivery of national work streams as and when they arise.

RISK MANAGEMENT STRATEGY

The aim of this strategy is to manage risk and to successfully integrate risk management into existing business and management processes. Risk management is a key part of this Authority's corporate governance arrangements providing assurance to meet the requirements of the Accounts and Audit Regulations 2003 and is reviewed and adopted annually.

STRATEGIC ENVIRONMENTAL ASSESSMENT

Is a statutory process which aims to provide high level protection of the environment and to ensure integration of environmental considerations in the preparation and adoption of plans and programmes with a view to promoting sustainable development. This methodology underpins the Authority's fisheries management processes.

NEIFCA Work Programme 2023/2024

Organisational Development

A range of ongoing work is planned through 2023/2024 to develop and foster a strong organisational culture with a clearly defined vision and supporting values. This work will also focus on strengthening leadership, management and communication skill sets across the operational Senior Management Team to improve and strengthen the efficiency and effectiveness of service delivery and will be facilitated through a range of individually focused training and development initiatives and group based activities.

Performance Matrices

NEIFCA is currently working with the national Association and Defra to develop a set of performance matrices to better inform and publicise the extent of its work and associated outputs across the year. This work is ongoing and will cover a wide range of delivery areas from enforcement, through to fisheries and Marine Protected Area (MPA), marine licensing and consenting and national policy engagement and delivery such as the Fisheries Management Plan (FMP) programme.

Policy & Strategy Work

Throughout the scope of this plan of programmed work through 2023/2024, NEIFCA is committed to developing a number of new strategies as follows:

Incident & Response Strategy & Monitoring Policy

In light of the ongoing response to the shellfish mortalities and associated challenges, this new policy will build on lessons learned and provide a guiding framework for dealing with any similar future events. Whilst there are clearly defined strategies and processes in place for managing anthropogenic events such as oil spillages there is very little guidance on managing naturally occurring events.

Recreational Sea Angling Strategy

NEIFCA has always carried an ambition to strengthen its active engagement with the recreational fishing sector and given the appointment of Kevin Woodcock to the Authority it

would seem timely to further that work during 2023/2024. Kevin is a key member of the Angling Trust's North East regional team. During 2022 the Authority's first recreational sea angling strategy was drafted and it is the ambition to actively build on that strategy through 2023/2024 through the further development of projects and initiatives to both strengthen working relationships and support the sector.

Aqua/Mariculture Strategy

The number of aqua/mariculture projects located within the NEIFCA district has increased significantly during the last few years. One company has established a business growing and harvesting seaweed at Scarborough, North Yorkshire and is now expanding into offshore aquaculture. Two further initiatives involving the culture of native oysters have also been established at sites located in Sunderland and Spurn Point on the Humber Estuary. Currently NEIFCA does not currently have an overarching strategy to guide and support the management of these initiatives within its district despite carrying a statutory obligation to ensure that associated activities are managed sustainably. The development of such a strategy is therefore planned during 2023/2024.

IT Systems and Processes

Website

A new NEIFCA website was launched during February 2022 and officers are committed to both maintaining it and building and developing its functionality through 2023/2024.

Fisheries Database

Throughout 2021/2022 NEIFCA has been working in partnership with Sussex IFCA and an external IT company to develop a bespoke fisheries database. This new database is now supporting the management of NEIFCA's shellfish permit schemes and work will continue through 2023/2024 to expand its functionality to include the electronic capture of catch and effort information directly from fishermen. To this end a pilot scheme is planned with 18 fishermen across the district to actively trial the functionality of the system. Eventually this new database will replace the longstanding system that NEIFCA has utilised through East Riding of Yorkshire Council (ERYC).

Integration with National Fisheries Systems

Nationally IFCA's link into enforcement and compliance and intelligence systems which are managed by the Marine Management Organisation (MMO). Engagement is supported by formal data sharing agreements and Memoranda of Understanding (MoU). Levels of engagement vary across IFCAs particularly in relation to the input of enforcement and compliance data. Currently NEIFCA maintains its own internal recording processes although it has formally committed to more active engagement with the national enforcement and control system. Active work will continue in this area during 2023/2024.

Byelaw Development and Review 2023/2024

Potting Flexible Byelaw

A new flexible shellfish byelaw was approved by the Science Advisory Group on 23 of September 2022 and made by the Authority on the 1 of December 2022. This new framework will establish a permitting system with supporting conditions that can be changed in response to associated changes within the exploited stocks. These conditions will include species, catch, gear, vessel and temporal restrictions. This new byelaw framework will allow NEIFCA to manage its pot fisheries much more pro-actively, efficiently and effectively.

Provisional Timescales

Formal consultation to commence April/May 2023
MMO Quality Assurance July/August 2023
DEFRA Review & Confirmation September 2023

Humber Estuary Fishing Byelaw

The Humber Estuary Fishing byelaw was approved by the Science Advisory Group on 23 of September 2022 and made by the Authority on the 1 of December 2022. Results from the most recent surveys of the Spurn point Seagrass Area have shown that the eelgrass continues to expand beyond the borders of the current restricted area necessitating revised protection.

Provisional Timescales

Formal consultation to commence April/May 2023
MMO Quality Assurance July/August 2023
DEFRA Review & Confirmation September 2023

National Work Stream Engagement

Fisheries Management Plans (FMPs)

All IFCA's have received a support fund from DEFRA of £50k to support their involvement in the development of the Fisheries Management Plans. This is being coordinated and managed through the Association of IFCA's (AIFCA). NEIFCA will be using this fund to strengthen supporting staffing resources through 2023/24.

The first tranche of FMPs are well advanced including king scallop, crab and lobster and sea bass which are of most relevance and interest to NEIFCA.

The Association of IFCA's (AIFCA) is currently collating various data from across all IFCA's on legislations, research and development and evidence on stock assessment. This work will continue in 2023 and more involvement from the individual IFCA's will be expected developing the framework for the FMP. NEIFCA is actively involved in providing all necessary information and advise which will continue through 2023/2024.

Provisional Timescales

- Update the FMP to reflect what we have heard – **September to January 2023**
- Provide the first draft FMP to Defra – **January 2023**

- Formal public consultation on draft FMP by Defra – **April to June 2023**
- Crab & Lobster FMP finalised and published – **Autumn 2023**

NEIFCA Fisheries Assessment Plans & Programmes 2023/2024

Response to Shellfish Mortalities & ‘Wash up’

Investigations into the cause of the observed shellfish mortalities in the Tees Estuary and surrounding areas South to Robin Hoods Bay have been enduring since October 2021. Priority work for NEIFCA during 2023/2024 will continue to improve the understanding of how the event has impacted on stocks within the affected areas. This work is supported by a summary plan comprising of a review of catch and effort trends, direct observation onboard fishing vessels, survey work conducted from North Eastern Guardian III.

Provisional Timescales

Commenced March 2023

Interim observations & findings January & May 2023

Preliminary outline findings & report March & September 2023

Fisheries Stock Assessment Work 2023/2024

Stock assessment for lobster & crabs

Collection of biometric data for lobsters and edible crabs at the quayside remain ongoing and additional offshore observer trips and surveys are planned for the 2023/24 season. Offshore potting surveys will be done without escape gaps to capture smaller sized animals to increase the data quality for the stock assessment. Results of the annual stock assessment will feed into the decisions making for gear and fishing restrictions in the coming years.

Scallop fishery

The current Scallop fishery in the NEIFCA district is restricted to two defined areas and three permits were issued for the 2022/2023 season (November to April). The submission of monthly catch and effort returns has remained a mandatory condition of holding a permit, monitoring work re-commenced in March 2022 and dredge sampling and habitat surveys to monitor long-term impacts will re-commence in 2023.

Intertidal fixed net fishery

This fishery has been closed for three years due to a Europe wide prohibition on the commercial exploitation of sea bass from the shore. Following a change in UK fisheries legislation it reopened on the 1 October 2021 and the 2023/2024 season (October to June) is expected to commence on 1 October 2023. Catch returns and bycatch are continuously analysed as part of a long-term monitoring strategy for this fishery and that will continue during 2023/2024. Officers are planning to enhance that work where possible by periodically gathering length, weight and age data from key species caught in the fishery during 2023/2024.

Table 1 provides a provisional summary of the planned Survey programme for 2023/2024

Table 1: Summary of surveys for 2023 – 2024

| Key activities workstreams | Apr | May | June | July | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
|---|-----|-----|------|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Monthly quayside sampling for Lobster and edible crab (Whitby, Scarborough & Bridlington) | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| Observer trips on potting vessels for lobsters & crabs | ■ | ■ | ■ | ■ | ■ | ■ | ■ | | | | | |
| NEIFCA potting surveys for lobsters & crabs incl. shellfish mortality work. | ■ | ■ | ■ | ■ | ■ | ■ | ■ | | | | | |
| Observer trips for Scallops (2/month) | ■ | | | | | | | ■ | ■ | ■ | ■ | ■ |
| NEIFCA offshore scallop & habitat surveys | | ■ | ■ | ■ | ■ | ■ | ■ | | | | | |
| Intertidal surveys for seaweed (drone) | | | ■ | ■ | ■ | ■ | | | | | | |
| Eelgrass survey at Spurn Point | | | | | ■ | | | | | | | |
| European Lobster Settlement Index Project incl reporting | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |

Capital Projects

Vessel Replacement Programme

Work on the establishment and development of the vessel replacement programme commenced in 2015 with the intention of replacing NEGIII at ten year’s operational service. The vessel has now reached its sixteenth year and during July 2022 suffered a major engine failure due in the main to its age and service. During the last three years the replacement programme has been re-vitalised in part through the delivery of a new 9.5m Cabin RIB during 2021 and achieving member agreement on a provisional plan to finance the replacement of NEG III during June 2022, subject to cost. The replacement of the main offshore vessel represents the largest capital project that Authority officers will ever oversee. The procurement stage of that work is now well advanced to establish a cost. The project is being managed by the Deputy Chief Officer and offshore Operational Manager who carries extensive technical and personal experience in the build and commission of vessels. The project is also being supported by relevant leads from East Riding of Yorkshire Council (ERYC) covering procurement, legal and financial requirements. Officers are also working closely with colleagues in Defra and the national shipbuilding programme. A formal tender was published at the beginning of March 2023 with a deadline of 31 March 2023 set for submissions from economic operators.

Provisional Timescales

Tender published – 1 March 2023
Tender submission deadline – 31 March 2023
Tender submission evaluation – 3 to 13 April 2023
1 stage consideration Executive Committee – 20 April 2023
Authority consideration & decision – 3 May 2023
ERYC capital approvals – June 2023
Contract award – July/August 2023
Commencement of build – September/October 2023

Other Projects

European Lobster Settlement Index (ELSI)

NEIFCA successfully secured £264,264 of funding from DEFRA under the Fishing Industry Science Partnership program. The project started in February 2022 in partnership with the Bridlington based Holderness Fishing Industry Group and is scheduled to complete at the end of February 2024. The project is unique in the UK and involves the capture and analysis of Early Benthic Phase lobsters (EBP) at sites South and North of Flamborough Head. The appraisal of trends in EBP lobster abundance can be utilised to inform predictive stock assessment models and the management of lobster stocks. The first field trials in 2022 have been completed successfully with the capture of the first EBP lobster. More field trials will be completed through 2023/2024.

Nephrops Potting

Setting pots to capture *Nephrops norvegicus*, more commonly known as ‘prawns’ or ‘scampi’, has actively taken place for many years within the NEIFCA district mainly off the Durham coast and catches can attract a high value. There is strong evidence that this fishery could be further developed, a view also supported by the fishing industry but further work is required to identify the location and extent of the stock and understand the catch selectivity of the associated fishing gear deployed. NEIFCA officers are planning to further this work during 2023/2024.

National IFCA Success Criteria

To support the delivery of the national IFCA vision, IFCAs work to a set of success criteria matched with corresponding high-level objectives. The vision, success criteria and high level objectives- are designed to assist in the creation of a shared understanding of the collective aims and objectives of IFCAs, and focus service delivery towards achievement of the national vision. These national IFCA performance criteria also link directly to the UK Marine Policy statement.

High level objectives

IFCAs are recognised and heard, balancing the economic needs of the fishery whilst working in partnership and engaging with stakeholders

IFCAs implement a fair, effective and proportionate enforcement regime

IFCAs use evidence based and appropriate measures to manage the sustainable exploitation of sea fisheries resources and deliver marine environmental protection within their districts

IFCAs have appropriate governance in place and staff are trained and professional

IFCAs make the best use of evidence to deliver their objectives

Progress and update to be provided in standard format

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Report to: Executive Meeting
14 March 2023

DRAFT BUDGET 2023/24

Report by the Treasurer

A. **Purpose of Report**

To inform Members of the draft budget for 2023/24.

B. **Recommendations**

- a) That the draft budget for 2023/24 be approved.
- b) That the level of general reserves is maintained at £228,450 (17%) of the annual levy.

1. **Introduction**

- 1.1 At its meeting on 1 December 2022, the Authority set the levy for the North Eastern Inshore Fisheries and Conservation Authority at £1,377,464 for 2023/24. The Authority resolved that a detailed budget be brought to the Executive for approval.
- 1.2 The Authority's budget has been reviewed in detail by the Chief Officer and the senior management team, together with the Treasurer, to identify the level of expenditure necessary to meet operational priorities through to 31 March 2024.

2. **Overall Budget**

- 2.1 The Authority's budget is spent in the following major areas –
 - **Central Management Budget:** Expenditure relating to the cost of Corporate Management and administrative support.
 - **Operations:** Direct expenditure incurred in the performance of the Authority's objectives, comprising land-based, offshore and environmental activities.
- 2.2 The draft budget resources the main objectives and work priorities for the year ahead in order to deliver the requirements of both the adopted national vision and the Authority's local priorities. It has been produced in line with the Annual Plan and Strategic Risk Register.

The 3% levy increase approved at the Authority Meeting on 1 December 2022 has been incorporated into the budget, along with increases to reflect the impact of a 2023/24 pay award on employee budgets. In addition, a review of individual budget lines has been undertaken to ensure they are set at an appropriate level within the existing budget.

- 2.3 The 2023/24 budget includes a number of previously approved supplementary budgets as shown in the table below:

| | £ | Funding | Approval Date |
|-----------------------------------|----------------|----------------------------|----------------------------|
| European Lobster Settlement Index | 116,950 | 100% External income | 10 March 2022, Executive |
| Patrol Vessel Replacement Project | 20,000 | Renewals Fund Reserve | 1 December 2022, Authority |
| Fisheries Management Plan | 43,000 | 100% External grant income | 1 December 2022, Authority |
| Total | 179,950 | | |

- 2.4 The following table summarises the proposed revenue budget for the Authority for 2023/24. Further details are shown in Appendix B.

| Net Expenditure | £ |
|---|------------------|
| Central Management | 429,330 |
| Operations | |
| Land Based | 135,590 |
| Offshore Operations | 559,510 |
| Environment | 140,130 |
| Funded Projects | 20,000 |
| Net Cost of Service | 1,284,560 |
| Funding | |
| Contribution to Vehicle Replacement Reserve | 10,000 |
| Contribution to Renewals Fund | 102,900 |
| Transfer to revenue from Renewals Fund | -20,000 |
| Local Authority Levy | 1,377,460 |

3. Risk

- 3.1 The Bank of England's February monetary policy report explains that there is a high level of uncertainty in the economic outlook for the UK with GDP projected to fall slightly throughout 2023 and into 2024. Inflation has begun to fall but is still well above the Bank's 2% target with RPI at 10.5% in December 2022 mainly due to the impact of higher energy prices following Russia's invasion of Ukraine. Higher prices due to supply chain disruption following the covid pandemic and shortages in the labour market have also put upward pressure on inflation. The Bank forecasts that inflation will fall quickly this year, falling to 3% at the beginning of 2024 as the price of energy is not expected to rise so rapidly and higher interest rates will help to reduce the demand for goods and services in the economy. NEIFCA will continue to experience this increase in inflation as a pressure on energy, fuel and other supplies.

- 3.2 Following the Staffing and Organisational Review, which was complete by December 2021, NEIFCA has had improved staff retention rates and is in the process of recruiting to two fixed term posts. The National Joint Council (NJC) Local Government Pay Award offer for 2023/24 of £1,925 for all but the most senior grades is currently under consideration by the trade unions and is greater than the amount budgeted for but is proposed to be managed within the overall budget. It is anticipated that the pay award will be at least 2% in 2024/25, 2025/26 and 2026/27.
- 3.3 The financial impact on NEIFCA of inflationary increases on pay and non-pay budgets will be greater than in previous years as most posts are now filled and the level of underspends is expected to reduce significantly. Budgets will continue to be closely monitored and opportunities to generate external income will also be explored.
- 3.4 Maintenance of the patrol vessel is usually cyclical in nature and can usually be planned. However, a catastrophic event, such as engine failure, could potentially leave the Authority exposed to substantial additional expenditure. Whilst most such events would be insured, the Authority would likely be expected to incur the expenditure in the first instance. As the vessel ages the risk of higher maintenance requirements become more likely but this risk will be mitigated by the planned patrol vessel replacement.
- 3.5 Reserves are held to manage the above risks. In the short-term the general reserve will be available to meet the ongoing known risks above.

4. Reserves

- 4.1 The Authority maintains a general reserve to meet unforeseen events and specific reserves to even out cash flow for individual projects or purchases (Appendix B). The Authority currently holds five specific reserves.

5. General Reserve

- 5.1 The general reserve enables the Authority to demonstrate its financial standing as a 'going concern', to be in a position to meet unforeseen liabilities. The actual level of reserves is subjective, since any such liability is neither known nor anticipated. Setting the level of general reserves is just one of several related decisions in the formulation of the budget for a particular year. Account is taken of the key risks, stated above, that could impact on the financial assumptions underpinning the budget alongside a consideration of the Authority's financial management arrangements. A good track record for managing in-year budget pressures and operation of robust financial reporting arrangements is evident.
- 5.2 At 31 March 2023, the balance on the general reserve is forecast to be £228,450, which represents 17% of the annual levy for 2023/2024. It is anticipated that this can be maintained until 31 March 2024. This is considered a reasonable level of balances for the Authority to hold.

6. Specific Reserves

- 6.1 In 2011/12 the Authority created an earmarked reserve to manage the risk associated with patrol vessel maintenance. Due to its nature, certain maintenance is cyclical rather than annual and other maintenance may be of an exceptional and urgent nature. The mechanical engine failure of the patrol vessel in August 2022 has resulted in additional expenditure estimated to be up to £240,000 in 2022/23. The cost of the work will be funded through a combination

of in-year underspends, the Patrol Vessel Maintenance Reserve and the Renewals Fund and could be reduced if the insurance settlement is successful. It is anticipated that the £80,000 balance of the patrol vessel maintenance reserve will be fully utilised by 31 March 2023 to fund the cost of the repairs.

- 6.2 The balance on the External Projects reserve is forecast to be £43,000 at 31 March 2023 with the reserve being fully utilised by the end of 2023/24 financial year. The Department for Environment Food and Rural Affairs (DEFRA) has developed Fisheries Management Plans (FMPs) as a new policy tool to implement the objectives of the Fisheries Act 2020. IFCAs have been asked to support the 3-year programme and will receive additional funding to support the DEFRA led FMP programme, help co-ordinate communications & engagement with inshore fisheries communities and contribute fisheries management experience through technical advice and evidence to support policy development and implementation. NEIFCA was awarded £50,000 for 2022/23 with the funding for the second and third years yet to be announced. The Authority meeting on 1 December 2022 approved a supplementary budget of £7,000 in 2022/23 and £43,000 create a fixed-term Environmental Officer post, initially for one year to support the programme and fully funded by the grant.
- 6.3 £100,000 plus accrued interest has been set aside annually in order to plan for the replacement of the main vessel. The Renewals Fund may need to be utilised at the end of 2022/23 financial year to fund the £99,108 remaining costs of the patrol vessel repairs but it is anticipated that the refurbishment of both engines will lead to an increased sale value in the future. The balance on the reserve at 31 March 2024 is forecast to be £1,436,864. It was agreed at the Authority Meeting on 8 June 2022 that the option of ERYC purchasing the vessel and leasing it to NEIFCA would be explored and members delegated authority to the Executive Committee to act as the principal working group to oversee the preparatory work including finalising the proposed financing plan through ERYC, developing the procurement documentation including vessel specification and a parallel process to support the sale of the current vessel. Once all the preparatory work is complete a further special meeting of the Authority will be convened to approve the next steps and all Councils would need to agree an increase to the annual levy to fund the ongoing lease costs over and above the annual set-aside to the reserve of £102,900.
- 6.4 Currently the Authority owns one small multi-purpose van, one large transporter van, two 4x4 'pick up' vehicles, one all-terrain two seater 'gator' and leases a further 4x4 'pick up' and a pool car. Owning vehicles has proven much more cost effective in terms of flexibility of managing mileage and additional 'end of term costs' which are applied with each lease agreement. Maintaining a reasonable vehicle replacement reserve enables the fleet programme to be effectively managed and the annual set aside of £10,000 is proposed to be maintained at the same level.

Contact Officer

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Stephen Chandler
Treasurer

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Appendix A

2023/24 DRAFT REVENUE BUDGET

| | Central Management £ | Land Based Operations £ | Offshore Operations £ | Environment £ | Funded Projects £ | 2023/24 Draft Budget £ | 2022/23 Budget £ |
|---|----------------------------|-------------------------------|-----------------------------|------------------|-------------------------|---------------------------------|------------------------|
| EXPENDITURE | | | | | | | |
| Employee Expenses | | | | | | | |
| Pay, NI and Superannuation | 176,860 | 138,190 | 355,700 | 135,530 | 40,550 | 846,830 | 790,260 |
| Other Employee Costs | 18,000 | - | - | - | - | 18,000 | 18,000 |
| Premises | 11,500 | | 6,030 | - | - | 17,530 | 17,530 |
| Transport | | | | | | - | - |
| Patrol Vessel Running Costs | - | - | 197,820 | - | - | 197,820 | 197,820 |
| Vehicle Running Costs | 37,060 | - | - | - | - | 37,060 | 37,060 |
| Travel and Subsistence | 15,890 | 230 | 1,240 | 1,100 | 9,310 | 27,770 | 18,540 |
| Supplies and Services | 74,020 | 3,170 | 13,720 | 3,500 | 65,090 | 159,500 | 176,120 |
| Support Services | 104,780 | - | - | - | 65,000 | 169,780 | 163,200 |
| | 438,110 | 141,590 | 574,510 | 140,130 | 179,950 | 1,474,290 | 1,418,530 |
| INCOME | | | | | | | |
| Grants and Contributions | - 2,000 | - 6,000 | - 15,000 | - | - 43,000 | - 66,000 | - 30,000 |
| Other Income | - 6,780 | - | - | - | - 116,950 | - 123,730 | - 154,090 |
| | - 8,780 | - 6,000 | - 15,000 | - | - 159,950 | - 189,730 | - 184,090 |
| NET EXPENDITURE | 429,330 | 135,590 | 559,510 | 140,130 | 20,000 | 1,284,560 | 1,234,440 |
| REPRESENTED BY | | | | | | | |
| Annual levy on Local Authorities | | | | | | -1,377,460 | -1,337,340 |
| Contribution to Vehicle Replacement Reserve | | | | | | 10,000 | 10,000 |
| Contribution to Renewals Fund | | | | | | 102,900 | 102,900 |
| Contribution from Renewals Fund | | | | | | -20,000 | -10,000 |
| | | | | | | -1,284,560 | -1,234,440 |

Reserves

The Authority maintains specific reserves to even out cash flow for individual projects or purchases, and a general reserve to meet unforeseen events.

The actual opening balances at 1 April 2023 will be known once the 2022/23 accounts for NEIFCA have been completed. The following tables include the overspend projected in the latest budget monitoring position for 2022/23.

| NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY | | |
|---|-------------------------|-------------------------|
| RESERVES | | |
| General Reserve | 2022/23 | 2023/24 |
| | £ | £ |
| Balance brought forward | 228,450 | 228,450 |
| Usage | 0 | 0 |
| Transfer to Renewals Fund | 0 | 0 |
| Balance carried forward | <u>228,450</u> | <u>228,450</u> |
| Patrol Vessel Maintenance | 2022/23 | 2023/24 |
| | £ | £ |
| Balance brought forward | 80,000 | 0 |
| Transfer from Revenue | 0 | 0 |
| Transfer to Revenue | -80,000 | 0 |
| Balance carried forward | <u>0</u> | <u>0</u> |
| External Projects | 2022/23 | 2023/24 |
| | £ | £ |
| Balance brought forward | 0 | 43,000 |
| Transfer from Revenue | 43,000 | 0 |
| Transfer to Revenue | 0 | -43,000 |
| Balance carried forward | <u>43,000</u> | <u>0</u> |
| Vehicle Replacement Reserve | 2022/23 | 2023/24 |
| | £ | £ |
| Balance brought forward | 12,782 | 22,782 |
| Transfer to Revenue | 0 | 0 |
| Transfer from Revenue | 10,000 | 10,000 |
| Balance carried forward | <u>22,782</u> | <u>32,782</u> |
| Renewals Fund | 2022/23 | 2023/24 |
| | £ | £ |
| Balance brought forward | 1,360,172 | 1,353,964 |
| Transfer from Revenue | 102,900 | 102,900 |
| Transfer from General Reserve | 0 | 0 |
| Transfer to Revenue | -109,108 | -20,000 |
| Balance carried forward | <u>1,353,964</u> | <u>1,436,864</u> |
| TOTAL USEABLE RESERVES | <u><u>1,648,196</u></u> | <u><u>1,698,096</u></u> |

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Report to: Executive Meeting
14 March 2023

BUDGET MONITORING 2022/23

Report by the Treasurer

A. Purpose of Report

To advise Members of the budget position at the end of month 09 (December) in 2022/23.

B. Recommendations

- i. That the budget monitoring position is noted.

1. Introduction

- 1.1 A detailed budget monitoring exercise is undertaken monthly by the Treasurer in consultation with the Chief Officer. This analyses individual budget lines in terms of the current expenditure and allows for projections to the end of the financial year.
- 1.2 This report provides the overall position and any areas whereby an explanation is required of any notable variance on the Authority's spending to the end of December 2022.
- 1.3 At its meeting on 2 December 2021, the Authority set a levy totalling £1,337,343 for the current financial year, including £102,900 plus accrued interest transferred to the Renewals Fund and £10,000 transferred to the Vehicle Replacement Reserve.

2. Revenue Expenditure to 31 December 2022

- 2.1 Appendix A summarises the expenditure and income for the Authority for the nine months to September of the financial year and compares it with the budget. The appendix shows both subjective and objective net expenditure for the period.
- 2.2 At the end of December 2022, the Authority has net expenditure of £1,090,319 against an expected £949,427 overspending by £140,892. The forecast outturn overspend is £179,108 due to the £240,000 estimated cost of patrol vessel repairs offset by savings from additional one-off recharge income from NEIFCA employees working on the European Lobster Settlement Index project.

The main variances are:

- Employee underspends of £15,888 – mainly due to underspends on additional hours due to reduced hours being worked following the engine failure of the patrol vessel.
- Patrol vessel running costs overspend of £221,454. The forecast includes £240,000 for the estimated cost of the patrol vessel engine repairs which are now complete. A supplementary budget of up to £300,000 was agreed in principle at Executive Meeting on 8 September 2022 funded by a combination of in-year underspends, vessel insurance, the Patrol Vessel Maintenance Reserve and the Renewals Fund. Expenditure of £214,000 has been incurred to date but the total cost of the work is yet to be finalised and the insurance assessors report is awaited. In the event that the insurance claim is successful the balance to be funded by NEIFCA would be reduced. The patrol vessel fuel budget of £65,000 has been forecast to outturn in line with budget. The impact of increased fuel prices has been offset by reduced usage following the patrol vessel breakdown.
- Travel & subsistence overspends of £7,199 due to higher than anticipated expenditure on the cost of international travel relating to the Patrol Vessel Replacement project.
- Grants & contributions underspend of £31,082 mainly due to £26,500 recharge income from staff time and vessel hire by the European Lobster Settlement Index project which is fully funded by DEFRA and £8,690 prosecution income.

2.3 It is anticipated that the outturn position will be an overspend of £179,108 funded from the Patrol Vessel Maintenance Reserve and Renewals Fund, which could be reduced if the insurance settlement is finalised prior to the financial year-end. The forecast includes the planned transfer of £102,900 plus accrued interest into the Renewals Fund and £10,000 into the Vehicle Replacement Reserve.

Contact Officer

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Principal Accountant, East Riding of Yorkshire Council

Stephen Chandler
Treasurer

Background Papers: NEIFCA Monitoring File

NEIFCA Budget Monitoring Report as at December 2022

| | <i>Approved Budget</i> | <i>Profiled Budget to Month 9</i> | <i>Actual to Month 9</i> | <i>Variance to Profile</i> | <i>Projected Outturn</i> | <i>Variance to Projected</i> |
|-----------------------------|------------------------|-----------------------------------|--------------------------|----------------------------|--------------------------|------------------------------|
| | £ | £ | £ | £ | £ | £ |
| EXPENDITURE | | | | | | |
| Employee Expenses | | | | | | |
| Pay,NI and Superannuation | 790,260 | 582,839 | 570,054 | -12,785 | 770,534 | -19,726 |
| Other Employee Costs | 18,000 | 18,000 | 21,838 | 3,838 | 21,838 | 3,838 |
| Premises | 17,530 | 13,148 | 14,482 | 1,334 | 17,569 | 39 |
| Transport | | | | | | |
| Patrol Vessel Running Costs | 197,820 | 148,365 | 349,069 | 200,704 | 419,274 | 221,454 |
| Vehicle Running Costs | 37,060 | 27,795 | 21,716 | -6,079 | 35,133 | -1,927 |
| Travel and Subsistence | 18,540 | 13,868 | 21,061 | 7,194 | 25,739 | 7,199 |
| Supplies and Services | 176,120 | 115,498 | 132,476 | 16,978 | 173,207 | -2,913 |
| Support Services | 163,200 | 118,700 | 120,370 | 1,670 | 164,425 | 1,225 |
| | 1,418,530 | 1,038,213 | 1,251,067 | 212,854 | 1,627,720 | 209,190 |
| INCOME | | | | | | |
| Grants and Contributions | -30,000 | -17,250 | -90,547 | -73,297 | -61,082 | -31,082 |
| Other Income | -154,090 | -71,536 | -70,201 | 1,335 | -153,090 | 1,000 |
| | -184,090 | -88,786 | -160,748 | -71,962 | -214,172 | -30,082 |
| NET EXPENDITURE | 1,234,440 | 949,427 | 1,090,319 | 140,892 | 1,413,548 | 179,108 |

| | <i>Approved Budget</i> | <i>Profiled Budget to Month 9</i> | <i>Actual to Month 9</i> | <i>Variance</i> | <i>Projected Outturn</i> | <i>Variance to Projected</i> |
|---------------------------|------------------------|-----------------------------------|--------------------------|-----------------|--------------------------|------------------------------|
| | £ | £ | £ | | £ | |
| NET EXPENDITURE | | | | | | |
| Central / Headquarters | 431,690 | 336,285 | 320,785 | -15,499 | 406,139 | -25,551 |
| Land Based Operations | 127,970 | 95,978 | 95,239 | -738 | 129,592 | 1,622 |
| Offshore Operations | 532,270 | 399,203 | 600,996 | 201,794 | 751,883 | 219,613 |
| Environment | 132,510 | 99,383 | 82,827 | -16,556 | 106,901 | -25,609 |
| Grant Aided Projects | 0 | 15,723 | -24,270 | -39,993 | 0 | 0 |
| Patrol Vessel Replacement | 10,000 | 2,857 | 14,741 | 11,884 | 19,034 | 9,034 |
| | 1,234,440 | 949,427 | 1,090,319 | 140,892 | 1,413,548 | 179,108 |

| | <i>Approved Budget</i> | <i>Profiled Budget to Month 9</i> | <i>Actual to Month 9</i> | <i>Variance</i> | <i>Projected Outturn</i> | <i>Variance to Projected</i> |
|---|------------------------|-----------------------------------|--------------------------|-----------------|--------------------------|------------------------------|
| | £ | £ | £ | | £ | |
| REPRESENTED BY | | | | | | |
| Annual levy on Local Authorities | -1,337,340 | -1,337,340 | -1,337,344 | -4 | -1,337,340 | 0 |
| Contribution from Renewals Fund Reserve | -10,000 | 0 | 0 | 0 | -10,000 | 0 |
| Contribution to Vehicle Replacement | 10,000 | 0 | 0 | 0 | 10,000 | 0 |
| Contribution to Renewals Fund | 102,900 | 0 | 0 | 0 | 102,900 | 0 |
| | -1,234,440 | -1,337,340 | -1,337,344 | -4 | -1,234,440 | 0 |

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Report to: Executive Committee
14 March 2023

Risk Management Strategy & Strategic & Operational Risk Register Review

Report of the Clerk.

A. Purpose of Report

To present a revised Risk Management Strategy for adoption and inform members of the Executive Committee that in accordance with the Strategy, a review of the Strategic and Operational Risk Registers has also been undertaken and is reported for approval.

B. Recommendation

That the revised Risk Management Strategy be adopted and the revised Strategic and Operational Risk Register be approved.

1. Background

- 1.1 The Risk Management Strategy and associated Strategic and Operational Risk Registers were first approved by the shadow Authority at its quarterly meeting held on 25 January 2011 (Minute 17 refers).
- 1.2 The Authority agreed that the Risk Management Strategy be reviewed on an annual basis and that the Strategic and Operational Risk Registers be reviewed as a minimum every six months and reported to the Authority (Minute 17 refers). In accordance with these recommendations the Operational Risk Registers were reviewed and updated on 21 September 2022 (Minute item 36 refers).

2. Strategic & Operational Risk Register Reviews

- 2.1 The Strategic and Operational Risk Registers have been reviewed to consider any potential changes which have occurred over the last six months and affected the key risks identified within the Registers. The risks have been reviewed and the changes are highlighted in bold within the attached registers. An updated position for each of the key indicators is also included in the Register. The next review of the Strategic Risk Register is scheduled for September 2023. The identified risks have also been ranked in order of significance and colour coded (highest residual risk score red to lowest green).
- 2.2 Currently, primary identified risk areas are financial, relating to cost recovery associated with the major engine failure onboard North Eastern Guardian III (NEG III) during July 2022 and the potential costs and funding pressures associated with the replacement of NEG III. Also, reputational risk, surrounding the Authority's ongoing response to the shellfish mortality event which occurred in October 2021.
- 2.3 The revised Risk Management Strategy is attached as Appendix 1, the revised Strategic Risk Register is attached as Appendix 2, the Operational Risk Register as Appendix 3 and the Environmental Risk

matrix, a sub register of the Operational Risk Register, as Appendix 4 for members information. All changes since the last review are highlighted in bold text.

Contact Officer

Caroline Lacey, Clerk of the Authority
Ext 3000

Background Papers

Revised Risk Management Strategy
Strategic Risk Register
Operational Risk Register

Risk Management Strategy

1. Introduction

- 1.1 North Eastern Inshore Fisheries and Conservation Authority (NEIFCA) recognises its responsibility to manage risk in order to successfully achieve the Authority's objectives, maximise opportunity and minimise threats. This is also reflected in national guidance advice to Inshore Fisheries and Conservation Authorities.
- 1.2 Risk cannot always be eliminated and this strategy provides a structured approach to enable the Authority to identify, manage and monitor the most significant risks it faces. From an operational perspective it also provides a framework for applying a more 'risk based' approach to its activities.
- 1.3 The aim of this strategy is to manage risk and to successfully integrate risk management into existing business and management processes. Risk management is a key part of the Authority's corporate governance arrangements and also provides assurance to meet the requirements of the Accounts and Audit Regulations 2003.

2. Objectives

- 2.1 The objectives of the risk management strategy are to –
- Embed risk management in the culture of NEIFCA including the Authority's decision making, strategic planning, policy, project and service delivery arrangements.
 - Manage risk in accordance with best practice, ensuring key strategic and operational risks are identified, monitored and controlled.
 - Raise awareness of the need for risk management both within the Authority and with key partners and suppliers of goods and services.
 - Enable the Authority to anticipate and respond to change.
 - Prevent injury, damage and loss, thus reducing the cost of risk.

3. Roles and Responsibilities

- 3.1 All Members and employees should have regard to risk when carrying out their duties. Risk management is part of all decisions at both manager and Member level and all Authority processes. The key roles within the risk management process are -

| | |
|--|--|
| NEIFCA | To oversee the effective management of risk by Authority officers |
| Clerk | To champion risk management and ensure it is embedded throughout the Authority. To develop the Authority's risk management policy and strategy To report to Members on risk management |
| Chief Officer & Senior Management Team | To ensure the Authority manages risk effectively through the development and implementation of the strategy. To identify, manage and monitor the strategic risks faced by the Authority. |
| IFC Officers | To manage risk effectively in their particular areas of service delivery. |
| Clerk and Treasurer | To support the Authority and its services in the effective development, implementation and review of the risk management strategy |

3.2 Responsibilities and reporting requirements are set out in more detail in Annex A.

4. Risk Definitions

4.1 Risk is the chance of something happening that will have an impact on objectives.

4.2 Risks can be divided into two main categories –

Strategic risks – that need to be taken account of in judgements about the Authority's medium to long term goals.

Operational risks – day to day risks in the delivery of a service.

4.3 Examples of strategic and operational risks are listed at Annex B. The two are interlinked with the potential for operational risks to become a strategic risk for the Authority.

5. Risk Management Process

5.1 There are four key stages to the risk management process, which will be recorded and monitored through the use of risk registers –

- **Identification**

The Authority will identify both strategic and operational risks that can affect achievement of its strategic and service objectives.

- **Assessment**

Risks will be assessed for impact and likelihood using a scoring matrix. Both the gross risk (before controls) and the net risk (following the implementation of controls) will be assessed.

- **Control**

Mitigating controls will be identified for all medium and high scoring risks and action plans developed where controls need to be improved. Consideration must be given to the anticipated benefits in relation to the estimated costs in deciding whether it is cost effective to introduce the proposed controls/initiatives. Risks and controls will be allocated to a risk owner for monitoring and review.

- **Monitoring and Review**

Strategic and operational risk will be reviewed and reported at least every 6 months by the risk owners.

5.2 Strategic Risk Process

Identification and assessment of strategic risks will form part of the corporate business planning process. A full review of the strategic risk register will be undertaken every six months by the Clerk, Chief & Deputy Chief Officers and the Authority to ensure all risks associated with the delivery of strategic objectives have been identified and assessed.

Risks will be allocated a risk owner and will be reviewed every six months together with any outstanding actions required. This review will be reported to the Authority.

The Clerk and Chief Officer will be responsible for identifying any new risks and providing the link with any changes in operational risk that need to be reflected in the strategic risk register.

5.3 Operational Risk Process

The identification, assessment and control of operational risks will form part of the service planning process.

The Chief & Deputy Chief Officers will be responsible for reviewing registers and controls on a six monthly basis through management teams and updating registers accordingly.

The Authority will gain an understanding of key operational risks through the performance monitoring process and will monitor that the operational risk register is updated.

5.4 Risk Analysis & Risk Evaluation Process

5.4.1 Risk are measured in two ways:

- The likelihood of the risk event occurring
- The impact on the Authority should the risk event occur

The likelihood of the risk event occurring will be given a score from 1 to 5 using the following criteria:

| Likelihood | Score | Description | Criteria |
|-------------------|--------------|---|---|
| Almost certain | 5 | The event is expected to occur in most circumstances | Probability of occurring in the next year >90% |
| Likely | 4 | The event will probably occur in most circumstances | Probability of occurring in the next year 60 to 90% |
| Possible | 3 | The event will occur at some time | Probability of occurring in the next year 30 to 60% |
| Unlikely | 2 | The event is not expected to occur | Probability of occurring in the next year 10 to 30% |
| Remote | 1 | The event may only occur in exceptional circumstances | Probability of occurring in the next year <10% |

5.4.2 The potential impact of an event on the Authority will also be given a score of 1 to 4 as follows:

- 1 Insignificant – Minimal disruption, no long-term consequences to service delivery or marine conservation and management. No stakeholder concern. Minor negative publicity
- 2 Minor – Short-term consequences to both service delivery and or marine conservation and management. Potential for stakeholder concern. Some adverse publicity in local media.
- 3 Moderate – Medium long term consequences to both service delivery and or marine conservation and management, impact absorbed with significant intervention. Extensive stakeholder concern. Extended adverse publicity in both local and national media.
- 4 Major – Significant long-term consequences, formal intervention from central government departments or Executive Agencies, significant stakeholder concern and pro-longed loss of confidence. Sustained adverse publicity both locally and nationally.

The gross risk score = likelihood x potential impact

The residual risk score includes the application of appropriate control actions

The application of appropriate control actions may not necessarily reduce the gross risk score

The table below provides a visual ‘heat chart’ of the relationship between the levels of potential impact and likelihood of certain risk occurring and provides a general guide to the overall risk assessment process.

| LIKELIHOOD | | IMPACT | | | |
|---------------|---------------------|--------------------|-------------|---------------|------------|
| | | Insignificant 1 | Minor 2 | Moderate 3 | Major 4 |
| | Almost Certain 5 | Green 5 | Green 10 | Amber 15 | Red 20 |
| Likely 4 | Green 4 | Green 8 | Amber 12 | Red 16 | |
| Possible 3 | Green 3 | Green 6 | Amber 9 | Red 12 | |
| Unlikely 2 | Green 2 | Green 4 | Green 6 | Amber 8 | |
| Remote 1 | Green 1 | Green 2 | Green 3 | Amber 4 | |

5.5 Project and Procurement Risk Process

Projects will be managed using appropriate methodology. Project managers will identify and assess the risks associated with the project and mitigating controls and document these in a risk register. The register will be maintained and updated throughout the life of the project and be reported to the Chief Officer on a regular basis.

The risks associated with a particular procurement will be considered and documented.

6. Corporate Business Processes

6.1 Risk management will continue to be embedded in all the Authority's key business processes including –

- Long term financial planning and annual budget setting processes.
- Authority Performance planning processes.
- Policy and decision making processes.
- Strategic planning processes.
- Operational delivery

7. Training and Communication

7.1 Risk management training will be provided to officers identified in Annex A.

7.2 The Clerk and Treasurer will provide support and advice on risk management throughout the Authority.

8. Measuring Effectiveness

8.1 The effectiveness of this process will be reported through the Statement of Internal Control.

9. Monitoring and Reporting

9.1 Assurance on the effectiveness of controls over key strategic and operational risks will also be provided by the Audit Section.

9.2 The strategy and action plan will be reviewed annually.

10. Links to other policies and strategies

10.1 Insurable retained risk will be managed by the Treasurer in accordance with the risk financing strategy.

NORTH EASTERN INSHORE AND CONSERVATION AUTHORITY - STRATEGIC RISK REGISTER

| Risk No | Strategic Objective | Category of Risk | Risk | Gross Risk Score | Control Action | Residual Risk Score | Further Action Required | Update | Risk Owner |
|----------|---|-------------------------|---|------------------|---|---------------------|---|--|--|
| NEIFCA 1 | A reputation for smart and prudent stewardship. | Financial/ Economic | <p>Cuts to service, balance budget. Triggers include:-</p> <ul style="list-style-type: none"> • Reduction in Government funding • Budget over spends, insufficient reserves. • Precept set too low. • Lack of compliance with financial regulations • Increased pressure on resources from other agencies • Unforeseen mechanical failure • Increasing inflation & costs | 9 (3x3) | <p>Three year financial plan in place based on prudent projections and sensitivity analysis. Budget process flexible enough to deal with changes in funding e.g. savings plans. Lobbying with other Authority's to get better deals. Government assumptions used in the planning exercise. Formal considerations of reserves. Monthly revenue and capital budget monitoring. Demonstrating the ability to manage in-year budget pressures. Early closure of EU accounts. Attraction of EU and other grants for project works.</p> | 9 (3x3) | <p>Ensure sound business cases are made to Authority funders for continued financial support.</p> | <p>Major engine failure occurred onboard NEG III on 28 July 2022. Repair and re-commissioning complete but awaiting decision from vessel insurers.</p> <p>Project to fund and replace NEG III commenced July 2022 Tender process commenced February 2023.</p> <p>Inflation reaches a UK 40yr high of 10%</p> | Clerk/ Treasurer/ Chief IFC Officer |
| NEIFCA 2 | A reputation for smart and prudent stewardship. | Financial Reputation | <p>Failure to manage the Authority's assets, caused by:-</p> <ul style="list-style-type: none"> • Lack of funding • Service failures/poor maintenance • Poor risk assessments and controls • Age and deterioration of vessels & vehicles | 9 (3x3) | <p>Asset Management Plans - including audit and survey result to target investment and maintenance at high priority areas. Patrol Vessel renewal fund and replacement project ongoing. Maintenance programme. Risk assessments. Inspections and surveys. Insurance.</p> | 9 (3x3) | <p>Review and define inspection survey programme. Ensure compliance with the programme. Review adequacy of sums insured and compliance with insurance policy conditions. Strengthen asset management and control.</p> | <p>See previous updates.</p> | Chief Officer & Deputy Chief Officer & Operational Support Manager |

| Risk No | Strategic Objective | Category of Risk | Risk | Gross Risk Score | Control Action | Residual Risk Score | Further Action Required | Update | Risk Owner |
|----------|---|---------------------------|---|------------------|---|---------------------|--|---|---|
| NEIFCA 3 | A reputation for smart and prudent stewardship. | Organisational Reputation | <p>Loss or damage to reputation through poor press and public relations e.g response to shellfish mortalities</p> <p>Poor management and or use of website & social media outlets.</p> | 12 (4x3) | Good internal communications, PR, reports to Authority, Press releases approved by the Chief Officer and Clerk/Chairman where necessary. Members and key managers to have received media training. Members receive detailed briefings on sensitive issues and confidentiality requirements supported by Standards Committee and procedures. Back up arrangements through the national Association and partner IFCA's. | 8 (4x2) | <p>Reviewed on a quarterly basis.</p> <p>Daily management of Website & social media feeds in terms of content and comment.</p> | Since the last review NEIFCA has received a written official complaint over its ongoing response to the 2021 shellfish mortality event. Further oversight, consideration and guidance of that response is being provided by the Science Advisory group. | Chief Officer & Operational Support Manager |
| NEIFCA 4 | An Authority which attracts and keeps the best staff. | Customer/ Staff | <p>Specialist staff and skills shortages. Sickness absence.</p> <p>Triggers include:-</p> <ul style="list-style-type: none"> (i) Inability to recruit and retain staff. (ii) Inadequate succession planning. (iii) The Authority has a small but dedicated workforce. (iv) Private sector competition (v) Impacts of a global pandemic or other external event | 9 (3x3) | Recruitment, retention policies, training and development, surveys of existing staff, analysis at exits interviews and managing sickness absence. | 6 (3x2) | Recruitment processes expedited to fill vacancies when they arise. | Environmental & Scientific Manager vacancy currently filled via an internal secondment with an expectation that two additional temporary Environmental & Scientific Officers will be appointed by the end of March 2023. | Chief Officer & Deputy Chief Officer & Operational Support Manager. |

| Risk No | Strategic Objective | Category of Risk | Risk | Gross Risk Score | Control Action | Residual Risk Score | Further Action Required | Update | Risk Owner |
|----------|--|---------------------|--|------------------|---|---------------------|--|----------------------|---|
| NEIFCA 5 | A reputation for smart and prudent stewardship. Statutory responsibilities. | Reputation Legal | Failure to meet statutory responsibilities set out by legislation. Main causes of risk are:- (i) Poor leadership/ judgement by managers. (ii) Inadequate monitoring review. (iii) Lack of professional staff. (iv) Legal challenge. (v) Lack of trained, experienced staff. (vi) Impacts of a global pandemic or other similar external factors. (vii) Mechanical breakdown in key assets | 9 (3x3) | Series of performance targets set and measured to meet the requirements. Reported on quarterly basis to the Authority. Understanding and adherence to all governing legislation. Dynamic risk assessments and supporting safe working practices implemented when required. | 6 (3x2) | Reviewed on a quarterly basis by reporting to the Authority. | See previous updates | Chief Officer |
| NEIFCA 6 | A reputation for smart and prudent stewardship. Strategic objectives | Reputation | Failure to achieve policies, aims and objectives. | 9 (3x3) | Annual Plan produced each year. Performance measured against number of targets. Exceptions reported to Authority. Constitution, Standing Orders Schemes of Delegation. The Authority has put in place structures and processes to govern decision making. | 6 (2x3) | Reviewed on a quarterly basis by the Authority. | | Chief Officer & NEIFCA Senior Management Team |

| Risk No | Strategic Objective | Category of Risk | Risk | Gross Risk Score | Control Action | Residual Risk Score | Further Action Required | Update | Risk Owner |
|----------|---|-------------------|---|------------------|--|---------------------|---|--|---|
| NEIFCA 7 | A reputation for smart and prudent stewardship | Reputation/legal | Failure to deliver revised fisheries management policies within Marine Protected Area Sites which fall within the Authority's jurisdiction. Procedural delays in the formal making of regulations. | 6 (2x3) | Full engagement with Defra, MMO, national working groups and local management groups. | 4 (2x2) | Regular updates and progress reports to Science Advisory Group, Executive and full Committee. | | Chief, Deputy Chief Officers. Senior Environmental & Scientific Officer Environmental & Scientific Officers. |
| NEIFCA 8 | A reputation for smart and prudent stewardship. | Disaster Planning | Major incident, i.e. patrol vessel collides with another vessel or runs aground. Total loss of primary asset. | 4 (1x4) | The appropriate qualifications/licences/tickets are held by the crew. Train staff with skills in marine environment. Adequate Insurance. | 4 (1x4) | Continue to keep up to date with training and appropriate qualifications | | Chief Officer & Deputy Chief Officer |
| NEIFCA 9 | A reputation for smart and prudent stewardship. | Reputation/Legal | Officers acting beyond their statutory remit through inexperience. Legal challenge. Potential incident. Adverse publicity. | 6 (3x2) | Full training in role. Qualifications. Performance monitoring, target setting, recruitment procedures. Annual appraisal system. | 4 (2x2) | As roles develop, change, continuous training and development. EDP process to be utilised for this. | Training strengthened through induction, national IFCA training courses supported by a national coordinator. | Chief Officer |

APPENDIX 3

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY - OPERATIONAL RISK REGISTER

| Risk Number | Process | Risk Identification | Risk Analysis | Risk Control | Residual Risk | Monitoring | | |
|-------------|----------------------------------|--|--|--|--|---|------------------|--|
| | Risk Category | Risk | 1-8 = Low 8-10 = Medium 10-20 = High | Control Action | 1-8 = Low 8-10 = Medium 10-20 = High | By Whom | Review Frequency | Triggers for Action |
| 1 | Financial reputation, technical. | <p>Insufficient funding to replace main fisheries vessel, North Eastern Guardian III.</p> <p>Access to external funding support discounted in the short term although Defra may provide some capital funding support to IFCA's in due course.</p> <p>Extending operational life of existing vessel increases risk of significant mechanical breakdown & reduced re-sale value.</p> | 12 (4x3) | <p>Maintenance of current funding levels to the vessel renewal account. Continued investment in current vessel as a saleable asset. Monitoring and utilisation of all appropriate external funding avenues.</p> <p>Any additional savings generated re-allocated to the vessel renewal reserves.</p> <p>ERYC support financing replacement costs underpinned by a leasing arrangement across all member Local Authorities.</p> | 9 (3x3) | Chairman, Clerk, Chief Officer and Deputy Chief Officer | Quarterly | Budget financial review & reporting to Committees and internal working groups. |
| 2 | Financial and contractual. | <p>Unexpected budget demands and variances and failure to achieve agreed budget</p> <p>Income generation is expected to remain low during 2023/2024.</p> <p>Major engine failure onboard NEG III July 2022 and still awaiting decision from the Authority's insurance providers.</p> <p>Inflation reaches a UK 40yr high of 10%</p> | 9 (3x3) | <p>Increase of 3% in 2023/2024 levy with further increases advised. Monitoring systems.</p> <p>Systems to capture spend.</p> <p>Regular budget holder meetings.</p> <p>Internal Audit.</p> <p>Regular reviews of the appropriate level of reserves.</p> <p>Maintenance of insurance provisions.</p> <p>Expected uplift due in IFCA central government support across IFCA's.</p> | 9 (3x3) | Treasurer, Clerk and Chief Officer. | Monthly. | Budget financial reporting. |

| Risk Number | Process | Risk Identification | Risk Analysis | Risk Control | Residual Risk | Monitoring | | |
|-------------|---------------------------------|--|--|---|--|------------------------------|------------------|---|
| | Risk Category | Risk | 1-8 = Low 8-10 = Medium 10-20 = High | Control Action | 1-8 = Low 8-10 = Medium 10-20 = High | By Whom | Review Frequency | Triggers for Action |
| 3 | Customer Service/ reputation | <p>Failure to provide agreed service.</p> <p>Failure to establish and achieve performance targets therefore having a detrimental impact on the delivery of service to the customer and achievement of performance objectives.</p> <p>Serious mechanical failure and breakdown onboard the main vessel asset.</p> <p>Potential sale of main vessel asset to support the financing of a new vessel.</p> | 9 (3x3) | <p>Performance Indicators.</p> <p>Inspections audit.</p> <p>Workload monitoring.</p> <p>Policy and procedure compliance.</p> <p>Staff training.</p> <p>Communication with customers.</p> <p>Contingency planning</p> | 6 (3x2) | Clerk and Chief Officer. | Quarterly | <p>Annual reports.</p> <p>Performance monitoring reports.</p> <p>Feedback from staff and customers.</p> |
| 4 | Staffing | <p>Lack of staffing resources to deliver service and that staff have adequate skills training to achieve performance requirements.</p> <p>Increasing pressures from UK government to support national fisheries policy development & implementation without additional resource could have a negative impact on the delivery of IFCA statutory duties and responsibilities.</p> | 9 (3x3) | <p>Communication networks.</p> <p>Staff flexibility.</p> <p>Monitoring of workloads.</p> <p>Workforce Development.</p> <p>Vacancy Management.</p> <p>Recruitment processes expedited to fill vacancies.</p> <p>Maintenance of active dialogue with all key partner agencies.</p> <p>AIFCA, NIMEG & TAG.</p> <p>Vacant Environmental and Scientific Manager post currently filled via an internal secondment. Two temporary Environmental and Scientific posts expected to be appointed by 31 March 2023.</p> | 6 (3x2) | Clerk and Chief IFC Officer. | Quarterly. | <p>Reports to Authority.</p> <p>Team meetings/ EDRs.</p> <p>Sickness Review Meetings.</p> <p>Vacancy/sickness.</p> <p>Performance monitoring results.</p> <p>Proactive training programmes.</p> |

| Risk Number | Process | Risk Identification | Risk Analysis | Risk Control | Residual Risk | Monitoring | | |
|-------------|--|---|--|---|--|---|---|---|
| | Risk Category | Risk | 1-8 = Low 8-10 = Medium 10-20 = High | Control Action | 1-8 = Low 8-10 = Medium 10-20 = High | By Whom | Review Frequency | Triggers for Action |
| 5 | Financial reputation, technical. | Volatility of global oil/fuel markets and national tax changes. Markets remain unstable following Russian/Ukraine war in Europe 2022. | 9 (3x3) | Regular monitoring of fuel spends included within quarterly reports to Authority. Additional provision made within annual precept. | 6 (3x2) | Chairman, Clerk, Treasurer, Chief Officer and Deputy Chief | Monthly. | Budget financial review & reporting |
| 6 | Professional, contractual, legal reputation. | Failure to effectively support projects, poor contract documentation, failure to meet contract deadlines, failure to meet legal requirements and procurement legislation Provider fails to deliver the contract. | 9 (3x3) | Use of internal/external experts/consultants. Robust specifications. Risk Assessments. Strong contract management. Financial, technical and legal vetting of all providers. Procurement policy followed. Monitoring and reporting processes. Meet statutory requirements. With regard to supporting national projects ensure maintenance of dialogue and a proactive approach. New £262K contract agreed with Defra to support the two year ELSI project. Potential contract let for the build and commission of a new main vessel late summer 2023. | 6 (3x2) | Chairman, Clerk and Chief Officer & associated project leads. | Monthly. | Procurement processes. Legislative changes. Contract variations. Timetable slippage. |
| 7 | Legal/ reputation. | Legal challenge resulting from failure to undertake statutory responsibilities in terms of enforcement, poorly drafted Authority bye-laws or national legislation. Ongoing legal challenge fixed net permitting scheme | 6 (3x2) | Performance monitoring in terms of enforcement targets. Drafting of bye-laws in consultation with Legal Services. Proper consultation processes followed in accordance with statutory requirements. Involvement of NEIFCA Legal team, MMO, DEFRA in final approval of bye-laws. Strengthening enforcement practices and techniques. | 4 (2x2) | Clerk, Legal Advisor and Chief Officer. | Monthly and quarterly reports to Authority. | Performance monitoring reports. Legal challenges. |

| Risk Number | Process | Risk Identification | Risk Analysis | Risk Control | Residual Risk | Monitoring | | |
|-------------|----------------------------|---|--|---|--|--|------------------|--|
| | Risk Category | Risk | 1-8 = Low 8-10 = Medium 10-20 = High | Control Action | 1-8 = Low 8-10 = Medium 10-20 = High | By Whom | Review Frequency | Triggers for Action |
| 8 | Financial and reputational | Breaches of General Data Protection & Freedom of Information Regulations could lead to fines and reputational impacts. | 6 (3x2) | Key staffed trained and familiar with new GDP regulations. Data Protection Officer role agreed, creation of a register of data processing activities, utilisation of impact assessments when required, creation of public and internal privacy statements and active management of all data processing activities. Advice from ICO. SLA agreed with ERYC information governance and feedback team to provide expert support, advice and training. | 4 (2x2) | DPO Clerk Chief Officer Support Officer | Monthly | Formal complaint or report to ICO |
| 9 | Financial reputation. | Failure to deliver projects through lack of resources or investment. Loss of funding and grants resulting in inability to proceed with projects. Change in legislation resulting in inability to generate funds. Reputation for inability to utilise grants awarded. | 6 (2x3) | Budget setting and monitoring process. Procurement policy followed. Appropriate resources available to undertake the project. Skills and knowledge of staff. With regard to supporting national projects ensure maintenance of dialogue and a proactive approach. Business Cases considered with full whole life costs of projects made | 4 (2x2) | Clerk and Chief Officer. | Monthly | Performance monitoring reports. Budget reports. Legislative changes. Government funding initiatives. Authority decisions. Contract variation slippage. |

OPERATIONAL RISK REGISTER – ENVIRONMENTAL RISK MATRIX

| Risk Number | Process | Risk Identification | Risk Analysis | Risk Control | Residual Risk | Monitoring | | |
|-------------|---------------|--|--|---|--|---|---------------------|---|
| | Risk Category | Risk | 1-8 = Low 8-10 = Medium 10-20 = High | Control Action | 1-8 = Low 8-10 = Medium 10-20 = High | By Whom | Review Frequency | Triggers for Action |
| 1 | Environmental | <p>Impacts on fish and shellfish stocks through over-exploitation</p> <p>Pressures on stocks, particularly crustacea remain high although work is continuing on revised management measures.</p> <p>Currently catch statistics indicate a general declining trend in crab landings.</p> <p>Impacts in intertidal areas rising due to influxes of shore gatherers.</p> | 9 (3x3) | <p>Detailed monitoring of stock health. Development of dedicated management plans and strategies. Tailored management provisions. Sound enforcement. Fisheries accreditation schemes. National coordination.</p> <p>Maintaining a high level of communication and active joint working with key partner agencies.</p> | 9 (3x3) | Chief & Deputy Chief Officers and Environmental & Scientific Officers | Quarterly & monthly | <p>Non achievement of stock indicators.</p> <p>Declining catches and fleets. Complaints and comments.</p> |
| 2 | Environmental | <p>Impacts on fish and shellfish stocks through pollution incidents or environmental factors such as extreme events, novel pathogens or climate change.</p> | 9 (3x3) | <p>Regular monitoring, reporting and working in partnership with key agencies such as Defra, EA, CEFAS, MMO. Potential use of emergency byelaw making powers.</p> | 6 (3x2) | Chief & Deputy Chief Officer and Environmental & Scientific Manager | Monthly | <p>Observed mortality on shore and at sea, evidence of pollution events reports of unusually low catch rates from the industry.</p> |

| Risk Number | Process | Risk Identification | Risk Analysis | Risk Control | Residual Risk | Monitoring | | |
|-------------|---------------|---|---------------|--|---------------|---|--|--|
| | | | | | | Risk Category | Risk | 1-8 = Low 8-10 = Medium 10-20 = High |
| 3 | Environmental | Habitat damage caused by invasive fishing methods. Damage to protected features of European Marine Sites or Marine Conservation Zones Risks from the activities of nomadic scallop dredgers surrounding the NEIFCA area. Habitat damage caused to sensitive intertidal areas due to influxes of shore gatherers. | 9 (3x3) | Ongoing monitoring of activities. Active participation in associated schemes of management. Introduction of emergency and long-term Byelaw regulations and codes of conduct governing activities. Enforcement of existing regulations. Timely use of emergency byelaw making procedures when necessary. Working closely with the MMO and Defra to ensure adequate protection remains in place. | 6 (3x2) | Chief Officer, Deputy Chief Officer Environmental & Scientific Officers | Quarterly to Authority and associated working groups | Significant increases in related activity. Evidence of damage and impact. Complaints |
| 4 | Environmental | Impacts on fish and shellfish stocks through non-compliance with regulations. Prohibition on landing egg bearing lobsters. Impacts in intertidal areas rising due to influxes of shore gatherers. | 9 (3x3) | Targeted approach to enforcement at ports and areas of known high non-compliance at peak season. Focus on ports of high volume landings out of season. Strengthening enforcement procedures and techniques. Maintaining a high level of communication and active joint working with key partner agencies. | 6 (3x2) | Chief, Deputy Chief and IFC Officers | Monthly | Intelligence reports. Surveillance. Routine observations and complaints |
| 5 | Environmental | Impacts on other marine species such as sea birds, cetaceans and other organisms associated with fishing activities | 6 (2x3) | Monitoring through fishing permit and catch and effort schemes. One off studies and assessments. Timely use of emergency byelaw making procedures when required. | 4 (2x2) | Chief Officer, Deputy Chief Officer Environmental & Scientific Officers | Quarterly to Authority and associated working groups | Negative feedback from catch reporting schemes and or studies. Complaints |

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Report to: Executive Committee
14 March 2023

Health & Safety Policy & Safe Working Practices 2023/2024 - Review

Report by the Chief Officer.

A. Purpose of Report

To inform members of the completion of the Annual review of the Authority's Health & Safety provisions.

B. Recommendation

That Members note the report.

1. Background

- 1.1 The Health and Safety at Work Act 1974 and the management of Health and Safety at Work Regulations 1999 and other associated legislation impose duties on all of us, both of a general and specific nature to ensure as far as is reasonable and practicable, health and safety at work. North Eastern Inshore Fisheries and Conservation Authority wishes, through the preparation and issue of this policy to convey the importance that it places on all measures that promote the health and safety of its employees
- 1.2 This policy and its provisions are reviewed continuously throughout the year both at senior management level and at regular staffing Health and Safety meetings. If appropriate, changes to safe working practice guidelines are made and risk assessments reviewed, including where necessary, the provision of additional safety equipment for officers. Such changes are reported to the Executive Committee on a six monthly basis.
- 1.3 Since the last review in September 2022 I am pleased to advise that there have been no notable incidents or accidents to report whilst staff have been working and all are currently fit and well. As part of this standard six-monthly review all the standard Safe Operational Working Practices and supporting risk assessments have been fully reviewed and updated.
- 1.4 The updated safe working practice documents and revised risk assessments are shared with all operational staff and subject to continuous review by both the senior operational management team and as part of the general staffing health and safety meetings. The entire health & safety regime is underpinned by regular health and safety training and 'refresher' courses undertaken by all operational staff.
- 1.5 All current and longstanding safe working practices have been maintained including revised provisions implemented during 2022 to support potting survey work conducted from North Eastern Guardian III. The most notable change relates to the mandatory wearing of 'stab vests' by NEIFCA staff. Recent intelligence combined with a more active enforcement regime has increased the potential risk of a stabbing occurring at Sunderland. The risk level is now considered possible (previously remote). In order to ensure the

continuation of safe operations at Sunderland 'stab vests' will now be required to be worn at all times. Elsewhere within the NEIFCA district the risk if a stabbing occurring is still considered remote and the donning of a 'stab vest' will be informed by individual officer assessment.

Contact Officer

David McCandless
Chief Officer
Tel: 07771936501

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Report to: Executive Committee
14 March 2023

Tees and North Yorkshire Shellfish Mortality - Update

Report by the Chief Officer

A. Purpose of Report

To update members on the ongoing issues surrounding shellfish mortality in waters surrounding the Tees and North Yorkshire.

B. Recommendation

1. That Members note the report.

1. Background

Within the last update on the Tees and North Yorkshire shellfish mortality event, provided to the Authority on the 1 December 2023, members were advised that Defra had commissioned the establishment of an independent panel of experts to review and assess all research and investigatory work conducted to date. The findings of that panel were published on 17 January 2023 and circulated to members on 23 January 2023. The report concluded that a novel pathogen was the most likely cause of the event with other factors such as sediment dredging/pyridine contamination and an algal bloom, deemed very unlikely to have caused the observed mortalities in crabs and lobsters. The publication of the report drew a series of correspondence exchanges from the Chair of the Environmental Food and Rural Affairs (EFRA) Committee and the North East Fishing Collective to the Secretary of State and the Chair of NEIFCA. The Secretary of State provided a formal response to the Chair of the EFRA Committee on 7 February 2023 which is attached for information. The letter references the NEIFCA stock assessment report published in September 2022. Following the publication of the Secretary of States letter a significant proportion of blame has been directed at NEIFCA for the lack of provision of any compensatory support for the affected fishermen culminating in a formal letter of complaint received from the North East Fishing Collective on 23 February 2023, a copy of which is attached for members information.

Since the NEIFCA stock assessment report was published in September 2022 the Environmental and Scientific team have been working very hard on a follow up report in consultation with the Marine Management Organisation and further guidance has been

sought from the Science Advisory Group which, at the time of writing this report, was scheduled to meet on Thursday 9 March 2023. The Science Advisory Group have been tasked with providing further direction on the next steps and a further update will be provided at the meeting

Contact Officer

David McCandless,
Chief Officer,
Ext. 3690



Department
for Environment
Food & Rural Affairs

The Rt Hon Thérèse Coffey MP
Secretary of State Environment, Food & Rural Affairs

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Sir Robert Goodwill MP
Chair, Environment,
Food and Rural Affairs
Committee
By email only

7 February 2023

Dear Sir Robert,

Report of the independent Crustacean Mortality Expert Panel

Thank you for your letter dated the 31st January 2023.

The independent crustacean mortality expert panel (CMEP) published its findings on the 20th January 2023. The report states that a novel pathogen is about as likely as not to have caused the crustacean mortality event that occurred from October 2021.

Given the extent of the analytical work already undertaken, and further advice, I have decided that it is highly unlikely that we will find the cause and so no further analysis will be undertaken by the government.

The Environment Agency is the first responder. As for future events, there are sampling and testing protocols – both routine and for emergencies - in place where activities and events require, such as incident investigation, marine licensing etc. I have asked that Cefas be engaged promptly if a similar event occurs.

With respect to the economic impact, the landings data assessment as detailed in the NEIFCA stock monitoring report (September 2022) indicated, at a regional scale, landings in late 2021 were broadly in line with historic data and a significant reduction in landings in October and November 2021 were not observed. This does not preclude the possibility that some highly localised fishing grounds suffered significant mortalities. The stock monitoring report also found, as the 2022 season progressed, lobster landings at a regional level were in line with seasonal expectations.

There is no question of the government providing any compensation or specific support, however the UK Government currently provides a range of support to the English seafood sector through the Fisheries and Seafood Scheme (FaSS) and the £100 million UK

Seafood Fund. Since opening in April 2021, FaSS has provided £2.2 million to seafood businesses in the North East and is open for applications now.

Yours sincerely,

Therese Coffey



NORTH EAST FISHING COLLECTIVE

North East Inshore Fisheries & CONSERVATION Authority

Dr Stephan Axford (Chair), Mrs Caroline Lacey (Clerk) and board members

Dear Dr Stephan Axford and NEIFCA board members,

Official letter of complaint

23 February 2023

The North East Fishing Collective (NEFC), a group of commercial fishing associations, individuals, and stakeholders in the northeast region, respectfully submit this letter as an official letter of complaint in the North Eastern Inshore Fisheries and Conservation Authority (NEIFCA) Chief, David McCandless.

As taken directly from NEIFCA's website (ref: <http://www.ne-ifca.gov.uk/>):

NEIFCA Managing Sustainable Fisheries: "Effective management of our inshore fisheries is of the utmost importance to ensure the success of the fishery and protect the marine environment. NEIFCA works alongside the local fishing industry and stakeholders to improve the sustainable management of commercial stocks within the district. Stock assessment and scientific research conducted by the NEIFCA's Environmental Team is key in providing the data necessary to inform management decisions and develop new policies to improve the sustainability of the marine fisheries."

In this letter we evidence why we believe, under the leadership of David McCandless, NEIFCA has failed to effectively manage our inshore fisheries or protect our environment. His failure to conduct accurate and reliable stock assessments has damaged our livelihoods and removed any chance of government support. Consistent failures over the past years have led to a lack of data to inform policy/management decisions, a shortage of staff to perform imperative duties and a loss of control in the management of our coastline.

A letter from the Secretary of State Thérèse Coffey MP published on Friday 10th February 2023 stated:

"With respect to the economic impact, the landings data assessment as detailed in the NEIFCA stock monitoring report (September 2022) indicated, at a regional scale, landings in late 2021 were broadly in line with historic data and a significant reduction in landings in October and November 2021 were not observed."

Based on the data from the stock monitoring report Thérèse Coffey MP concluded that *"There is no question of the government providing any compensation or specific support"*. NEIFCA's stock monitoring report provided the information to Thérèse Coffey MP that the mass mortalities experienced along our coastline have had little or no impact to catch rates.

During an industry meeting with NEIFCA on 5th October 2022, industry members warned David McCandless of the misleading *"overall impression given by the report to the government"*. As published in the NEIFCA meeting minutes document.

Industry members raised further concerns, asking *"whether IFCA felt that the report is being misinterpreted by government and [industry expressed] their concerns over the potential for cherry picking of elements from the report by government"*.

To which David McCandless replied:

"DMc agreed report should not be used to cherry pick and that NEIFCA would point out caveats"

Now, without question, the inaccurate stock monitoring report has been used by the government to deny any support packages for those severely impacted by the mass mortalities. David McCandless's careless decision to include data from vessels that do not have a permit to fish with the NEIFCA jurisdiction, including large vivier vessels, in the stock monitoring report has betrayed our fishing industry and taken away hope for the future.

Obtained via an FOI request the email correspondence between David McCandless and Tim Smith (previous NEIFCA Environmental Manager) demonstrates the acceptance of the report by David McCandless and additionally the lack of thought and care used by David McCandless:

"I have quickly reviewed the report and have no additional comments so wider circulation can now be progressed.

Many thanks,

David"

The reality was a dramatic reduction in catch rates which has led to multiple fishing businesses going up for sale while others are left with severely reduced turnover. Vessels have faced extreme difficulty maintaining or paying crew members while others have dealt with both mental and physical health issues due to the events. Today, 17 months after the initial die-offs of 2021, there is still no recovery of crab species on the impacted grounds.

Despite occasional meetings with David McCandless over the events, during which our community representatives gave first-hand accounts of the difficulties faced by the fishing industry, we do not feel the actions of David McCandless have represented us or worked in the best interest of our coastline. NEIFCA has attempted to act as the conduit of communication between industry and other government agencies including DEFRA, this line of communication is broken as David McCandless has failed to accurately portray the information and insights given to him.

The undeniable and severe mistakes made during the compilation of the stock monitoring report display a dangerous incompetence which has led to harmful repercussions to our industry, coastline, and community.

During a recent NEFC meeting on Thursday 16th February 2023, a strong representation from the Hartlepool prawning fleet reported on the severe lack of prawns at their established grounds. The die-off zone is expanding, affecting more of the northeast fishing industries. Prawnng boats are forced into travelling 2 hours north before attempting to trawl for prawns to avoid the 'dead zone'. The daily catches are not covering their expenses and they are facing dire financial situations. We need proactive management, fast acting sampling/survey work and a NEIFCA that stands to protect the environment.

The mass mortality events of the Northeast continue, we need an effective local government agency that can represent us, support us and who we feel will collaborate with us to save our fisheries and environment. We do not believe David McCandless is that person.

We no longer trust David McCandless to lead NEIFCA to perform even the most straightforward stock assessment, we no longer feel David McCandless represents our coastal communities or fishing industries and we no longer believe David McCandless has the necessary skills to fulfil his role as NEIFCA Chief.

After the recent NEFC meeting a unanimous decision was made by all present NEFC members to submit this letter of complaint. We demand that David McCandless steps down from the position of NEIFCA Chief, and that the role is recruited for by a panel of counsel, government, and NEFC representatives.

With urgency and sorrow for our industries, heritage, and environment.

North East Fishing Collective



NORTH EAST FISHING COLLECTIVE

NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

Report to: Executive Committee
14 March 2023

Chief Officer's Operational Update

Report of the Chief Officer

A. Purpose of Report

To provide members with an operational report covering the period December 2022 to February 2023.

B. Recommendation

That Members note the report.

1. Overview

1.1 NEIFCA

Major Engine Failure North Eastern Guardian III

Further to the update provided to members at the meeting on 1 December 2022 main engine re-installation was completed at the beginning of November 2022 with preliminary sea trials commencing shortly afterwards. Thankfully things have continued to progress in a positive vein and the main vessel is now fully operational.

Main Vessel Replacement Project Update

Following the special meeting of the Executive Committee held on the 23 January 2023 where members supported the commencement of a formal tender process to establish the cost of building and commissioning a new vessel, the Deputy Chief Officer and project lead, oversaw the finalisation of all the supporting procurement documentation. The Invitation to Tender was published on 9 February 2023 with a deadline of 31 March 2023 for receipt of bids. The provisional project timeline is as follows:

Tender published – 9 February 2023

Deadline for submissions – 31 March 2023

Tender evaluations – 3 to 13 April 2023

Special Executive Committee – 20 April 2023

Authority consideration & decision – 3 May 2023

East Riding Capital approvals – June 2023

Contract award – July/ August 2023
Commencement of build – September/October 2023

Tees & North Yorkshire Shellfish Mortalities

The ongoing response to the North East shellfish mortality situation continues to occupy a significant amount of officer time and resourcing and a further, more detailed update report has been provided elsewhere on the agenda for members consideration.

1.2 National

IFCA Conduct & Operation Review

Section 183 of the Marine and Coastal Access Act 2009 places a duty on the Secretary of State to lay a report before Parliament on the conduct and operation of IFCAs. This report must be carried out every four years and is scheduled for this year, 2022. This will be the third time that IFCAs have been subject to statutory review since inception during 2010. The supporting process comprises of three main components. The first stage, involving the submission of a self-assessment from each IFCA Chief Officer has now been completed. The second stage involving consultancy led consultation at key port locations throughout each IFCA district has also been completed and the third stage, an electronic questionnaire process across IFCA members and Local Authority representatives, has yet to commence. The work is approximately two to three months behind schedule with a report now expected sometime later summer early autumn 2023.

Fisheries Management plans

The development of Fisheries Management Plans (FMPs) is a key component of the 2020 Fisheries Act to inform future fisheries management policy delivery across a range of exploited stocks in the UK. The first tranche of priority plans are nearing completion prior to the commencement of wider stakeholder consultation and these include king scallop, crab and lobster and sea bass. The approach to the development of the plans has been 'bottom up' with first direction provided by the fishing industry. The Seafish Industry Authority has led and supported much of the consultative phases to date. NEIFCA officers have been very actively involved in the crab and lobster and king scallop FMP events occurring within the Authority's District. At this particular stage in the process IFCA comment has been provided via the National Association but regional specific comment will form an important part of the formal consultative process as the programme progresses. Further guidance and support will be provided through the Science Advisory Group.

1.3 Priority Work streams for the next six months

- Assessment of tenders for the build and commission of the new vessel & subsequent approvals to commence build.
- Preparation and marketing of North Eastern Guardian III
- Move new shellfish management provisions, including effort limitation and revised measures on the Humber Estuary into the formal consultative phase.
- Support the continued monitoring of impacts associated with the shellfish mortality event.

- Further implementation of the new fisheries database including the capture of electronic catch and effort returns.

1.3 Summary of meetings and events attended

| | |
|---|---|
| Defra post-investigation catch up | 10 th January 2023 |
| IFCA Chief Officer's group | 11 th January 2023 |
| Defra 'Teach in' meeting on crustaceans | 16 th January 2023 |
| CEO interview panel North Western IFCA | 30 th January 2023 |
| North East Coastal Network 'follow up' meeting | 31 st January 2023 |
| NEIFCA annual staffing appraisals | 6 th to 10 th February 2023 |
| Defra MAFCO meeting | 15 th February 2023 |
| Defra post-investigation catch up | 21 st February 2023 |
| Interviews temporary Environmental & Scientific Officer | 24 th February 2023 |
| Holderness Fishing Industry Group meeting | 27 th February 2023 |
| NEIFCA annual staffing appraisals | 28 th February 2023 |
| NEIFCA/MMO monthly TCG | 1 st March 2023 |
| NEIFCA annual staffing appraisals | 3 rd March 2023 |
| National Association of IFCA's Forum meeting | 7 th March 2023 |
| NEIFCA Science Advisory Group meeting | 9 th March 2023 |