

Organisational Restructuring

Officers' Recommendations:

Members note the report and

- a. the increased costs associated with salary spinal point increases, national pay awards and inflation**
- b. the potential increased costs associated with outcome of the Job Evaluation**
- c. the increase in costs associated with restructuring the organisation**

Elected Members report the contents of this paper to their Local Authorities and seek their level of funding support for FY2022/2023 by 15th October 2021

Purposes of this Report:

- 1. Identify the increase in the Revenue Budget for FY2022/23 to cover**
 - a. Increased costs associated with salary spinal point increases, national pay awards and inflation
 - b. Increased costs associated with outcome of the Job Evaluation
 - c. Increase in costs associated with restructuring the organisation, which is required in order to enable the IFCA to discharge its statutory duties and secure a safe working environment for staff.
- 2. Identify the workstreams that will not be delivered if the Revenue Budget is not increased sufficiently, in line with 1c. above**

Introduction

A paper, 'Organisational Weakness & Staffing Issues' was presented to Members at the AGM held on 16th July 2021. This paper is intended to be read in conjunction with the first paper.

The preparation of these two papers prior to the Budget Setting process and cycle is to highlight the impact and consequences of those financial decisions that need to be made by the end of 2021.

Members of D&S IFCA are elected to contribute to the overall function of the Authority and to deliver its statutory duties. Noting the Officers' recommendations **is not a financial commitment**, rather it is to make Members aware of the financial support D&S IFCA requires before the Revenue Budget setting takes place. How this level of financial support is achieved is a matter for further discussion. The Chief Officer and Chair will use this paper to further discuss funding with Defra, and recommend Elected Members report back to their Local Authorities and seek their level of funding support for FY2022/2023 by 15th October 2021.

A timetable for funding related decisions is set out on next page:

Date	Meeting/ Event	Action
16 th September 2021	Full Authority Meeting	Members consider recommendations
End of September 2021	Meeting with Defra	CO and Chair to discuss and update Defra with outcomes of the Authority meeting
By 15 th October 2021	By correspondence	Elected Members report back to CO and Chair regarding Local Authorities' Financial Position
18 th October 2021	Meeting with Defra	CO and Chair clarify Defra's potential funding commitment to the Revenue Budget for FY 2022/2023
21 st October 2021	Officers', Chair and Vice Chair meeting with DCC & S.151 Representative	Identify a Revenue Budget based on the indicative financial support of Local Authorities and Defra
11 th November 2021	F&GP Sub-Committee	Discuss provisional Revenue Budget and make a recommendation
16 th December 2021	Full Authority meeting	Members agree Revenue Budget FY2022/2023

1a. Increased Costs associated with Spinal Point Increases, Pay Awards and Inflation

DDC officers have prepared the following information, as requested by Members, to identify potential costs for the next five years.

	2021/22 Budget £	2022/23 Budget £	2023/24 Budget £	2024/25 Budget £	2025/26 Budget £	2026/27 Budget £
Employees	536,600	554,400	570,400	586,400	600,100	612,300
Savings carried forward		0				
Premises	34,600	35,500	36,400	37,300	38,200	39,100
Transport	17,100	17,600	18,100	18,600	19,100	19,700
Supplies & Services	72,900	74,300	75,700	77,100	78,500	79,900
Boat Costs	25,100	25,600	26,100	26,600	27,200	27,800
Environmental Research	17,200	17,600	18,000	18,400	18,900	19,400
Support	62,200	63,700	65,200	66,800	68,400	70,000
Fees & Charges	(25,700)	(26,000)	(26,300)	(26,600)	(26,900)	(27,200)
	740,000	762,700	783,600	804,600	823,500	841,000
Savings required	0	0	0	0	0	0
Total	740,000	762,700	783,600	804,600	823,500	841,000

D&S IFCA Officers are part of the public sector government-set pay award system, and therefore based on 2% salary pay award, spinal point increases, general Inflation 2.4% and travel and transport 3.9%, an increase in Revenue Budget for FY 2022/23 would be 3.07%, amounting to an increase of costs of £22,700.

1b. Increase costs associated with outcome of the Job Evaluation

Members agreed to use General Reserves to fund a Job Evaluation for all current staff roles. At the AGM in July, Members were presented with information of salary scales provided by four other IFCA's. It was identified from the data that most D&S IFCA's employees were being paid below the national average. Since April 2018, 11 members of D&S IFCA staff have resigned. Exit interviews identifying low salary levels compared to comparable organisations and excessive workloads as key elements in this haemorrhaging of staff.

Officers intend to prepare the necessary information for Job Evaluation in the next few months. Officers have identified the potential cost of applying the outcome of the Job Evaluation below.

Position	No. of employees currently within D&S IFCA	Percentage Difference from Mean IFCA's salaries %		Estimated Salary <u>increased</u> costs of JE (comparable to other IFCA's) £	
		Salary start	Salary end	Salary start	Salary end
Permitting Officer	1	2.67	9.72	£505	£1,915
Office Manager	1	4.77	12.87	£1,368	£4,148
IFCO (Enf/Env)*	5.63	6.85	6.92	£11,708	£14,404 (£2,558 per officer)
Senior Enf/Env officer*	2	0.11	6.14	£71	£4,450 (£2,225 per officer)
Principal Officer	1	4.77	7.92	£1,569	£2,923
Deputy Chief Officer	1	0.74	8.25	£323	£3,949
Chief Officer	1	-3.62	15.16	-£2,058	£8,612
Total				£11,193	£37,582

*includes 10% unsocial hours payment

The table identifies the potential increase in salaries that would need to be found in order to pay D&S IFCA Officers' salaries comparable to those of their colleagues in other IFCA's¹. Based on the end salary costs, an additional £37,582 or an increase of 5.08% of FY 2021/22 would be required.

1c. Increase in Costs associated with Restructuring the Organisation

The paper presented at the AGM in July 2021 set out the issues that have arisen due to the lack of employees. This paper considers the benefits and costs of an improved staffing structure and benefits of increasing the operational costs.

¹ Four IFCA's, NEIFCA, K&EIFCA, CIFCA and EIFCA data in the analysis

Officers have identified that additional resourcing is required in both the Enforcement and Environment teams.

i. Enforcement Team

The Enforcement Team undertakes work as set out in D&S IFCA's Enforcement and Compliance Strategy. Cases of suspected illegal activity undergo a public interest and evidential test, undertaken by an Independent legal advisor adhering by the Code of Crown Prosecutors and is proportionate to the identified risk or need for interventions. Enforcement and Compliance modelling is undertaken using an Intelligence led model achieving a targeted approach. In FY2019-2020 24.5% of enforcement cases led to no further action, 26.4% resulted in an Official Written Warning, 17% in a Fixed Administrative Penalty and 2% went to Court. All intelligence reports of suspected illegal activity require investigation and preparation of case files.

To achieve the standstill budget of £740,000 for FY2020/21 the Deputy Chief Officer (Enforcement) role was made redundant. The reduction in the Enforcement team capacity has been offset by the Chief Officer continuing to participate in Court cases, operational duties and participating in the national Inshore Vessel Monitoring System (IVMS) project and delivering the IVMS camera project. Since March 2021 the Chief Officer has spent almost 12% of their time on outstanding case file preparation for Court, and 17% on the national IVMS and camera projects.

The current Enforcement team consists of one Senior Officer and three Enforcement Officers. This is the lowest number of Enforcement Officers across all nine mainland IFCAs. The national data² shows that D&S IFCA has the highest number of mobile gear vessels and has high numbers of both commercial and recreation static gear fishers. The data also show that the number of inspections undertaken is low compared to all other mainland IFCAs.

D&S IFCA follows the national intelligence model and based on the information received regarding illegal activity and the potential impact on the environmental and economic impact, officers spend most of their enforcement efforts focussed on monitoring and enforcement of the towed gear fleet, due to the potential impact on the designated habitats and species within Marine Protected Areas, and static gear fishers. In addition, the Byelaw and Permitting Sub-Committee shall consider whether to prohibit the use of towed gears within mariculture sites. This focus on the towed gear sector means that the static gear and 'hook and line' fisheries are monitored infrequently, and patrols to North Devon and the Severn Estuary are very limited. Officers did not achieve the 2020/21 Annual Plan targets of achieving six enforcement patrols in the Severn and 15 patrols in North Devon. It is clear that the minimum number of patrols identified in FY2020/2021 will not be achieved again in 2021/2022.

Data from the Enforcement Officers' time sheets would indicate that, on average, 21% of their time was spent on patrols (equivalent to 1 patrol per week). The Senior Enforcement Officer spent only 12.5% of their time on patrols as their role has stronger planning and administrative elements. The lack of time spent on patrols is a combination of many factors, but includes a significant amount of time, 21%, taken up by case file preparation.

➤ **Restructuring Proposals**

In 2011 Defra estimated that D&S IFCA would have 25.67 FTE Enforcement Officers. However, in order to achieve effective enforcement and management, Officers have identified the need to expand and resource the current Enforcement team to nine Officers:

² Evaluation of the Inshore Fisheries and Conservation Authorities Defra report unpublished.

- One Enforcement and Compliance Manager,
- Two Senior Enforcement Officers; and
- Six Enforcement Officers.

The restructuring will provide a team of Enforcement Officers (one Senior Officer and two Enforcement Officers) dealing primarily with the north coast of the District. This will provide a much greater enforcement presence in the area and provide D&S IFCA with much better knowledge and operational effectiveness in this part of the District. D&S IFCA has received criticism for the lack of enforcement presence in North Devon and the above data supports this. It is envisaged that the Enforcement team will work closely with the Environment Agency’s Officer who is based in North Devon. The Senior Enforcement Officers will be responsible for operational duties on the South and North Coasts, respectively.

The Enforcement and Compliance Manager will have overall responsibility for the Enforcement team and act as the Officer In Charge of cases, similar to the enforcement roles previously undertaken by the Deputy Chief Officer. The postholder will be expected to be operational at times but it is envisaged that this role will be mainly office based. The postholder will be involved in national projects and groups.

The proposed structure provides for five Enforcement officers (including the Senior Officer) to be operational primarily on the south coast. This increases the ability to undertake inspections of landings, premises, and gear, and increase enforcement capacity to undertake night-time estuarine and sea patrols, through a shift pattern of work, when required. With the introduction of flexible working, it is envisaged that the additional staff can be accommodated within the existing office space at Brixham.

The proposed structure secures enforcement resilience, flexibility, and effectiveness, and reduces workload of officers to safe working levels in compliance with Health & Safety legislation.

➤ **Cost of Restructuring**

The table below indicates the cost of additional officers to restructure the Enforcement team. A Job Evaluation process will determine which officers will receive an unsocial hour’s allowance. Additional payments for unsocial hours will potentially need to be added to salary costs.

Position	Spinal Start salary (per officer)	Spinal End Salary (per officer)	NI and Super-annuation addition to start salary (per officer)	NI and Super-annuation addition to end salary (per officer)	Total Costs for number of officers required	
					Start Salary	End salary
Compliance Manager	£32,910	£36,922	£43,453	£48,898	£43,453	£48,898
Senior Enforcement Officer (1 additional)	£29,577	£32,234	£38,929	£42,536	£38,929	£42,536
Enforcement Officer (3 additional)	£22,183	£27,041	£28,895	£35,487	£86,685	£106,461
Total					£169,067	£197,895

ii. Environment Team

The current Environment team consists of one Senior Environment Officer, One full-time Environment Officer, two part time Environment Officers (1.23FTE) and a fixed-term Fisheries and Research Management Plan Officer.

The Environment team is focussed on delivering research to inform statutory Marine Protected Area (MPA) assessments. The main work focuses on designated European Marine Sites (EMS) and statutory Marine Conservation Zones (MCZ) assessments of the impact of fishing activities on the designated features of the sites, for example, the impact of cuttlefish potting on the seagrass beds in Torbay which involved three strands of work – a fishing activity survey, a sidescan survey and direct impact survey. Additional work focusses on directed fisheries such as bivalve stock assessments, for example to support the development of a Taw Torridge Mussel Fishery Strategy. The Live Wrasse Fishery has also involved reviewing MPA assessments on an annual basis. Further MPA work involves the annual review of Monitoring and Control Plans in four MPAs in the District. MPA work takes up, on average, 35% of Environment Officers' work. All the work of the Environment teams provides the evidence base for the development of D&S IFCA's management measures (byelaw development and permit conditions).

The Senior Environment Officer spends 25% of their time on Hinkley Point C, including the related Marine Licence Application (MLA) work, and 9% on mariculture activities to fulfil elements of the Mariculture Strategy.

The Deputy Chief Officer currently oversees the work of the Environment Team including reviewing reports and assessments. 9% of their time is spent on MLAs, at least half of which is on mariculture / seaweed farm applications. A further 5.5% of their time is spent on other areas relating to mariculture to support the implementation of D&S IFCA's Mariculture Strategy. The Deputy Chief Officer is involved in MPA work, including informing Defra's Highly Protected Marine Area (HPMA) implementation, taking up 8% of their time. A further 5% of the Deputy Chief Officer's time is spent on reviewing reports and outputs from the Environment Team.

➤ Restructuring Proposals

Officers have identified the need to expand and resource the current Environment team to six officers:

- One Research and Environment Manager,
- One Senior Environment Officer and equivalent of
- Four (FTE) Environment Officers.

The restructuring is now required to undertake more research and stock assessment work. D&S IFCA is currently the only IFCA that does not collect crustacea data from inspections and catch returns and analyse the information to support management decisions. This evidence will also support the development of National Fisheries Management Plans and stock assessments and underpins D&S IFCA's byelaw review work and future management measures. The level of research to inform MPA work, the Mariculture Strategy and the Taw Torridge Mussel Fishery Strategy will increase to the level required to discharge the IFCA's statutory obligations

One of the proposed Environment Officer roles will take on workstreams relating to the Fisheries Management Plans and, with the Research and Environment Manager, be responsible for the creation of local plans to support the requirements now set out in The

Fisheries Act 2020. The second proposed Environment Officer will devote time to crustacea fisheries: monitoring, evidence gathering and informing stock assessments.

The GIS project work described in the 2021/22 Annual plan will be delivered by external consultants, but it is envisaged that the Senior Environment Officer will be responsible for continuing that work and mapping vessel and catch data.

The Senior Environment Officer will be responsible for the operational delivery of the research programme³, including the delivery of actions from the Mariculture and Angling Strategies, whereas the Research and Environment Manager will have overall responsibility for the Environment team, including reviewing all reports and assessments undertaken, and participation at regional and national level, including continued involvement with Hinkley Point C.

The proposed structure secures the Environment team’s resilience, flexibility, and effectiveness, ensures statutory duties are fulfilled, and reduces the workload of officers to safe levels in compliance with Health & Safety legislation.

➤ **Cost of Restructuring**

The table below indicates the cost of additional officers to restructure the Environment team. A Job evaluation process will determine which officers will receive an unsocial hour’s allowance. Additional payments for unsocial hours will potentially need to be added to salary costs.

Position	Spinal Start salary (per officer)	Spinal End Salary (per officer)	NI and Super-annuation addition to start salary (per officer)	NI and Super-annuation addition to end salary (per officer)	Total Costs for number of officers required	
					Start Salary	End salary
Research & Environment Manager	£32,910	£36,922	£43,453	£48,898	£43,453	£48,898
Environment Officer (2 additional)	£22,183	£27,041	£28,895	£35,487	£57,790	£70,974
Total					£101,243	£119,872

➤ **Total Cost of Restructuring the Enforcement and Environment Teams**

In 2011 Defra estimated that D&S IFCA would have 25.67 FTE Enforcement Officers. The proposed restructuring as described above brings the number of Officers to 20 FTE, which is still significantly below the number of Officers identified by Defra in the Report ² Annex 1 shows the proposed new structure of D&S IFCA. In order to achieve this, the identified extra staff and the costs of those staff have been discussed above. The total cost for the new members of both the Enforcement and Environment Team has been calculated as between £270,310 (spinal starting salary) and £317,767 (spinal end point salary).

³ D&S IFCA’s Annual Plan includes the research workstreams to be undertaken.

iii. Senior Management Team

To run the organisation safely, efficiently and effectively, it is essential that more time is devoted by the Senior Management Team to strategic planning, problem solving, innovating, monitoring systems and the outputs of the organisation. Without this change in approach, D&S IFCA Officers will only be able to function on an inefficient, reactive, short term basis, and it is unsustainable and unsafe for the organisation to continue to operate in this fashion.

- In terms of **strategic planning**, adequate time should be devoted to Annual Planning and the development of a D&S IFCA Five-Year Strategy (including asset replacement), which will be particularly important in the coming years with considerable mandatory obligations on D&S IFCA arising from both the Fisheries Act and forthcoming Environment Act.
- **Problem solving** – finding solutions to organisational problems, such as D&S IFCA's funding issues, is hampered by the lack of time that can be devoted to them due to the workload pressures on the Senior Management Team.
- **Innovation** is a key organisational value and there are good examples such as IVMS and permit based byelaws, but with advancement in available technologies and to deal with the increasing workload, Officers need to continue to find more time to explore effective and cost efficient ways of working.
- **Monitoring** performance and adherence to policies is a key role of the Senior Management Team which currently is not prioritised due to other work commitments. A recent Health and Safety audit identified matters that had not been picked up due to lack of regular monitoring, which is indicative of an unsafe working environment developing.

The proposed structural changes described above will reduce the time the Senior Management Team is involved with operational duties. It will also reduce the impact of losing the Deputy Chief (Enforcement) role and would secure the health and safety of staff by reducing excessive hours worked and facilitating the taking of annual leave entitlement. In FY 2019/2020, the Chief Officer and Deputy Chief Officer did not use 12 and 8 days of annual leave respectively. In 2020/21 the Chief Officer and Deputy Officer did not take 32 and 13.5 days respectively, and the Principal Policy Officer did not use up 5 days of leave, all of this being due to excessive work pressures. This increased level of workloads, due to long term under resourcing, is neither safe nor sustainable.

The removal of the Senior Management Team from excessive operational duties will allow the Team to prioritise other key areas of work and effectively drive these forward. Governance restructuring is also necessary and requires considerable Officer input to progress. In addition, Officers have also identified the need to review the Authority's policies and to obtain the necessary training to undertake this work. The Chief Officer will also have a greater, detailed understanding of Financial processes to support the Finance and Administration Officer and deputise in their absence.

Every year additional National key projects / workstreams emerge that require input from the Senior Management Team. Examples of these this year include: - funding discussions with the Minister and Defra; key National consultations e.g. Remote Electronic Monitoring (REM); Latent Capacity and Scallop closures; National IFCA lead for IVMS projects; IFCA representative on the National Shellfish Industry Advisory Group, and involvement in a Defra project on the impacts of displacement from a theoretical HPMA. The reduction in operational duties will enable Senior Officers to continue to participate in important national projects whilst progressing internal governance reform and the delivery of workstreams set out in the Annual Plan.

Operational Budget

Having an increase in staff numbers will fulfil the necessary range of activities and workstreams and will require a significantly larger operational budget.

- For the Enforcement team the ability to undertake a higher number of shore and at sea patrols will require an increase in the operational budget. The current operational budget of £25,100 (boat costs) with 4 Officers, achieves one patrol a week. To achieve 100 patrol days (still below IFCA national average) requires an increase of approximately £50,000. There will be additional costs for leasing and operating the EA vessel and office space in North Devon. Discussions with the Environment Agency on the shared use of their patrol RIB ‘Endeavour’ will be prioritised. It will also be the intention to explore the availability of office space at the Environment Agency’s office at Alverdiscott.
- For the Environment team, increasing the number of team members will fulfil the necessary research workstreams not currently undertaken, and requires an increase in the chartering of vessels to undertake this work (now that the D&S IFCA’s survey vessel has been sold). This will also require an increase in the operational budget.

2. Impacts of Maintaining the Current Funding Model

It is highly unlikely that the costs identified in this paper will be met under the current funding model for D&S IFCA. The Chief Officer and Chair have been in contact with Minister Prentis and her Defra officials to discuss the D&S IFCA’s funding crisis and are urgently seeking additional Government financial support in the short and medium terms.

If the necessary funding is not forthcoming, then it is highly unlikely that the health and safety of staff and the discharge of the IFCA’s statutory duties can be secured beyond the end of the current financial year.

The table below identifies what the impact of maintaining the current staff structure and level of funding will be on the delivery of workstreams, and the consequences in terms of D&S IFCA failing to meet its Statutory Duties and Success Criteria.

Undeliverable Workstream	Statutory Duty/ Success Criteria	Deliverable workstream	Statutory Duty/ Success Criteria
Handworking Permit Byelaw development - insufficient staff resource to progress, consultation, legislation and to enforce measures introduced.	MaCAA S.153 (2) (a) & (d). MaCAA S.154 in designated areas.	MPA management – deliver assessments of activities for T1, T2 and T3 MCZs and review of HRAs when necessary.	MaCAA S.154 Conservation of Habitat & Species Reg 2017 Success Criteria 3
Unable to deliver management & protection of HPMA’s if designated in D&S IFCA’s District	MaCAA S.154 Benyon Review	Development of Taw Torridge mussel fishery.	MaCAA S.153 & (Mariculture Strategy) - Success Criteria 3
Cease responding to Marine Licence Applications, including impact on Hinkley C development and sustainable development	MaCAA S.153. Success Criteria 1.	Development of REM project for fisheries management	MaCAA S.153 (2) (a), (b), (c). Success Criteria 3

Undeliverable Workstream	Statutory Duty/ Success Criteria	Deliverable workstream	Statutory Duty/ Success Criteria
Implementation of the RSA strategy postponed including development of Angling Zones.	MaCAA S.153 (2) (d). Success Criteria 1.	MPA monitoring and enforcement –.	MaCAA S.153 (2) (a), (b), (c). Success Criteria 3.
Implementation of Mariculture Strategy postponed – reduced opportunity for seaweed and molluscan farming development.	MaCAA S.153 (2) (c) & Success Criteria 3.	Review impact of whelk size increases.	MaCAA S.153 (2) (a) & (b) & Success Criteria 3.
Improved enforcement coverage across the district not enacted	MaCAA S.153 (1) Success Criteria 2.	Review impact of estuarine netting closures.	MaCAA S.153 & Success Criteria 3.
No Improved monitoring and control of static gear fisheries	MaCAA S.153 (1) Success Criteria 2.	Review Mobile Fishing Permit Byelaw.	MaCAA 153/154 & Success Criteria 3.
No analysis of catches and landings of crustacea fisheries to inform management and stock assessments.	MaCAA S.153 (2) (a) & (b) Success Criteria 3 & 5	Review Size of Vessel Byelaw.	MaCAA S.153/154 & Success Criteria 3.
Communications – no virtual roadshows.	Success Criteria 1/ informing Byelaw Making	Exemptions will be issued.	Responsibility as set out in Byelaw/ MaCAA S.153 (b) Success Criteria 3.
Outcome of Job Evaluation not fulfilled.	Success Criteria 4 & stress related Health & Safety concerns.	Undertake training to cover H&S and Data Protection	Success Criteria 4
Reduced support and involvement with joint research projects	Success Criteria 1,3 & 5		
Governance review not progressed to Members expected timetable	Success Criteria 4 & expectations of D&S IFCA's Governance Working Group.		

Background Papers.

D&S IFCA's Annual Plan 2021/2022 and Annexes

D&S IFCA's Enforcement and Compliance Strategy

Evaluation of the Inshore Fisheries and Conservation Authorities Defra report unpublished

Marine and Coastal Access Act 2009 (MaCAA)

'Organisational Weakness & Staffing Issues' paper presented to the Authority on 16th July 2021.

