

Five Year Capital Asset Replacement Strategy

Officers' Recommendations

That the Authority should;

- 1. Consider replacing the 6.4m RIB with another 7.8m RIB in the next five years only if sufficient external funding can be secured.**
- 2. Sell the Skoda Fabia pool vehicle and reduce the number of pool vehicles to four.**

At the Full Authority meeting, held on 17th December 2020, Members approved the Authority's Reserves Policy. One of the decisions was to introduce a Five-Year Asset Replacement Strategy by 2022/23.

The Capital Reserves stand at £76,774 as set out in the paper - Revenue Budget and Capital Programme for 2022/23 - presented to Members at the Full Authority meeting on 15th December 2022. The General Reserves stand at £531,517 at the 1st April 2022.

Capital Reserves have increased as a result of selling assets. The Authority sold its main patrol vessel in 2014 and its research vessel in 2021. In 2015, the reserves paper recommended adding £10,000 per year from 2016/17 onwards to the Capital Reserves. However, this did not happen. Instead underspend in subsequent years was transferred into General Reserves partially offsetting the impact of not pursuing the previous commitments. Capital Reserves can only be used on capital expenditure, but General Reserves can be used for any purpose including capital purchases.

The current Capital Reserves are £45,980 less than the total funds transferred across from Devon Sea Fisheries Committee in 2010. The Capital Reserves have been used to purchase fleet vehicles and a research vessel (*Blackjack*) and part fund the purchase of a patrol vessel (*David Rowe*). The overall expenditure from the Capital Reserves has been £244,807.39 over the ten-year period. (2010/11 to 2019/20).

Current Assets

The Authority currently owns the following assets:-

- 7.8m RIB - *David Rowe* purchased in 2019 for £127,852
- 6.4m RIB – *Enforcer* purchased in 2003, replacement outboard engines in 2014 at a cost of £13,471
- Two Skoda Octavia Estate cars and one Skoda Fabia car purchased in 2018 at a total cost of £44,030
- One Skoda Octavia car purchased in 2017 at a cost of £15,347
- One Nissan Navara 4x4 purchased in 2020 at a cost of £27,170
- One FLiR Camera (infra-red camera on RIB) purchased in 2019 for £36,362
- Survey cameras, ROV and Side-Scan Sonar equipment

Compared to other IFCAs, the value of D&S IFCA's assets is very low. Using straight line depreciation at four years for vehicles and ten years for vessels, the only asset registered above the minimum threshold of £10,000 is the 7.8m RIB.

Current Use of Assets

Vessels

With the increase in the number of Enforcement Officers who, after training, will be qualified coxswains, there will be more opportunity to conduct patrols using both vessels. The smaller RIB *Enforcer* is mainly used for estuary and close-to-shore coastal work. This is because of its size making it unsuitable for larger sea states further offshore and its lack of a wheelhouse increases the exposure of the crew to the elements. It may also provide temporary cover for when the main patrol vessel, *David Rowe*, is not available due to refit or breakdown. *Enforcer* is now 20 years old and despite replacing sponsons, rewiring and replacing the outboard engines, it is clear the vessel is nearing the end of its service life.

D&S IFCA has engaged with the Environment Agency to explore the possibility of sharing their 6.8m RIB previously based in Alverdiscott, North Devon which has now moved to Bodmin, Cornwall. Despite agreement in principle between the Environment Agency and D&S IFCA, the proposal to share the use of this vessel required approval from Defra Fleet Services. Unfortunately, no progress beyond this stage has been achieved.

Vehicles

The Authority currently owns five vehicles. The Nissan 4x4 has a specialised role and is used to tow all the Authority's trailers. The four remaining cars have low mileage and Officers have monitored the use of these vehicles over the last 12 months to determine whether it is necessary to continue operating them all.

The use of these vehicles has changed. In the past the former Chief Officer used one of the lease vehicles exclusively, and the previous Senior Environment Officer had the main use of one of the other vehicles, due to being based at a sub-office in Somerset at that time. This left the other three vehicles, including the 4x4, available for other Officers to use.

Research Assets

With the selling of the Authority's research vessel, Officers have chartered other vessels to undertake the required sea-going environmental survey work. To continue to fulfil this research capability of the IFCA, Officers will look to charter fishing vessels, where appropriate, and research vessels from other IFCAs. The Environment team will review the Authority's camera assets.

Proposed Five-Year Strategy

The increased use of technologies will continue to change the way that D&S IFCA and other regulators monitor and manage fisheries. However, there remains an ongoing requirement to have the capability of getting afloat and inspecting vessels at sea. Officers believe that the use of two RIBs will continue to meet these needs.

To replace the 6.4m RIB with a vessel similar to 7.8m wheelhouse RIB will cost approximately £225,000. Within a realistic budget, this would provide the Authority with the most suitable multi-purpose platform for Officers to undertake the full range of at sea, coastal and estuary patrols. To replace the 6.4m RIB with a similar size vessel will cost in the region of £150,000 but would be limited in its use.

D&S IFCA does not have the resources to purchase a replacement patrol vessel. It is therefore recognised that a further national vessel replacement scheme similar to the EMFF, that was used to purchase the Patrol Vessel *David Rowe*, needs to be used for this purchase.

Therefore, it is recommended that the Authority should consider replacing the 6.4m RIB with another 7.8m RIB in the next five years, only if sufficient external funding can be secured.

The Authority will seek to achieve its sea-going research requirement by conducting surveys on board commercial fishing vessels and continuing to use vessels from adjacent IFCA's and the Environment Agency, where possible. The risk associated with this approach is that the availability of external vessels does not align with the timing of the planned surveys.

Changes in the Officers' contracts and the reduced need to travel, due to the greater use of online meetings, means that the use of vehicles in 2022 has not returned to pre-pandemic levels. There is an opportunity to reduce the number of D&S IFCA's vehicles, without impacting Officers ability to undertake their work.

The following table sets out the current mileage for each car:

1	Octavia	30,518 miles
2	Octavia	20,072 miles
3	Octavia	15,441 miles
4	Fabia	21,018 miles

The Octavias and the Fabia average less than 6,000 miles per year. Each vehicle needs to be taxed, MOT'ed, maintained and serviced, and insured each year. In addition, it costs £500 to rent a car parking space in the public car park for one of the vehicles as D&S IFCA only has four off road parking slots at the Brixham Laboratory site. The annual savings from selling a car would be approximately £1,000.

The Fabia is the oldest of the fleet cars and has the smallest cab and boot space.

It is recommended that the Authority sells the Fabia pool vehicle and reduces the number of pool vehicles to four.

Hybrid and electric technology and charging infrastructure will continue to improve and there will be the potential for the Authority to consider a move away from diesel in the future. Development of batteries or alternative sources of power for vessels is still relatively poor compared to vehicles and it is not envisaged that there will be an alternative to petrol or diesel before one or both of the Authority's vessels need replacing.

Background Papers/Links:

- The Authority meeting minutes 15th December 2022
- The Authority meeting minutes 17th December 2020
- The Authority meeting minutes 24th September 2015
- 2015 Reserves Paper

(All papers and minutes from Authority meetings can be found in Section B of D&S IFCA's website Resource Library)

End.