

Senior Officer Statement by Gloucestershire County Council on D&S IFCA finances

Gloucestershire County Council (GCC) does not believe the Devon & Severn Inshore Fisheries Conservation Authority (D&S IFCA) is under 'severe budgetary pressure' as reported in the recent DEFRA report on IFCAs*. It also strongly contests, along with other Severn Local Authorities that this has been further exacerbated by several of its constituent authorities withholding some of the 'New Burdens' funding. The 'New Burdens' funding helps to cover the new costs to local authorities made members of the D&S IFCA but which were not previously members of any Sea Fisheries Committee. All due levies have been paid to the D&S IFCA by the constituent local authorities, without exception. The levies do not cover the extra administrative and staffing costs related to dealing with D&S IFCA matters, including scrutiny of its operation and conduct. The DEFRA report makes it clear, quite correctly, that *'there is no obligation on local authorities to allocate all or any of the New Burdens funding to the IFCAs'*.

The continuing budgetary pressures being felt by all Local Authorities makes the justification of all public money spent an unavoidable matter to address. The spending and reserve levels of the D&S IFCA are of particular interest to GCC and Gloucestershire's taxpayers. This is not least because GCC pays the third highest levy to the D&S IFCA whilst its administrative boundaries contain only 1.1% of the IFCA area and which has a very small marine fisheries resource#. The mismatch between the levy received from Gloucestershire and what is carried out by the IFCA within the county is particularly stark and so receives the Council's regular attention. The recent Quarterly report (Feb 2019) for example demonstrates that IFCA officer time spent is only between 11% and 27% for the whole Severn area (i.e. Gloucestershire and well beyond it). Such information does not sit well when looking at the 2019/2020 budget forecast figures which show the Severn Authorities levies will raise almost 45% of the total D&S IFCA budget. The Severn Authority levies therefore continue to heavily subsidise the much greater effort made by the D&S IFCA around the Devon coasts.

Checking back over the historic annual finance reports, it is worrying that the D&S IFCA has underspent its agreed annual budget in the majority of the 7 completed financial years since its inception in 2011. In addition, according to the latest available information GCC has (i.e. the minutes of the F&GP Committee held on 14th December 2018), yet another underspend is projected [£43,900 projected underspend at end of month 7]. All this does is continue to unacceptably bolster the D&S IFCA's reserves with taxpayers' money. We are told by the Chief Officer every December that the IFCA needs this money to fulfil its statutory functions, only for underspend after underspend to occur in reality.

The D&S IFCA reserves have now reached a very high figure of over £0.5 million which is not justified. Accepting an increase of 2% upon the levy for every constituent authority over the next 3 financial years (Medium Term Financial Plan [MTFP], agenda item 5 for March 2019 meeting) is too simplistic and easy an option to take. The proposed increases do not easily match the monies likely to be required across the whole D&S IFCA area and particularly within the Severn area and Gloucestershire which are always going to be much more modest.

It is GCC's view that budget setting and forecasting continues to be overly generous and increasingly unfair to GCC and the other Severn Authorities. Levies set must be affordable and fair in the current difficult financial climate. In conclusion, it is our view that the IFCA's draft MTFP outlines an unacceptable budget projection for the three financial years 2020/21 – 2022/23. It is also our view that the future budgets should be decreasing – not increasing and that the IFCA's reserve level should be lowered from its current excessive level.

March 2019

* Defra (2018) *'Inshore Fisheries and Conservation Authorities. Conduct and Operation 2014-2018'*

Thomson Ecology (2014) *'Management of Marine Fish resources, Fisheries and Conservation in the Inner Severn Estuary' for Gloucestershire County Council*