



# Authority Meeting

Draft Minutes  
25 January 2024

## Version Control and Drafting

Version & Date	Comments
Version 0.1 31/01/2024	1st set of draft minutes prepared by F&AM Pepper for internal review.
Version 0.2 27/02/2024	Review and amendments by Officers. Circulated to Members for review.
Version 0.3 1 <sup>st</sup> March 2024	Minor amendments to recognise initial feedback from Members.

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**Minutes of the Authority Meeting**  
Exeter Racecourse 25/01/2024

**Present:**

**Chair:** Prof. Mike Williams

**Councillors:** Phil Twiss (Devon County Council), Nicole Amil (Torbay Council), Ron Peart (Devon County Council), Alan Preest (Gloucestershire County Council), Stuart Hughes (Devon County Council)

**General/ Statutory Members:** Dr Emma Bean, Felicity Sylvester, Mark Day, Wayne Thomas, Tom Birbeck, David Morgan

**Officers:** Simon Excell (Gloucestershire County Council), Peter Lappin (Devon County Council Finance), Cristina Geary – Nelson (Devon County Council Finance), Stephen Dury (Somerset County Council)

**D&S IFCA Officers:** Mat Mander (Chief Officer – CO), Olga Pepper (Finance & Administration Manager – F&AM), Neil Townsend (Principal Policy Officer – PPO)

**Public:** 1 Member of Public present.

**Welcome**

The Chair formally welcomed all to the meeting.

**Action Items:**

**1. Apologies for Absence.**

The Chair asked F&AM Pepper to read out the list of apologies. The names called out were as follows: Cllr Annemieke Waite, Rob Parsons, Jon Dornom, Simon Thomas, Simon Toms, DCO Sarah Clark, Dave Saunders, Rachel Irish, Cllr Tom Briars – Delve, Natasha Bradshaw, Charlie Ziemann, Brian Glasson, Cllr Alistair Dewhirst, Cllr Tony Williams, Jessica Bishop, Dr Pamela Buchan, Caroline Acton, Guy Baker, Natural England, Cllr Dixie Darch.

**2. Declarations of Interest**

The Chair invited all to bring forward any declarations of interest. There were none. Members were reminded to review their declarations regularly.

**3. To consider and approve the Draft Minutes of the Authority Meeting held on 21<sup>st</sup> of September 2023.**

The draft minutes from 21<sup>st</sup> of September 2023 were examined page by page with no amendments suggested.

***That the minutes from the Authority Meeting on 21<sup>st</sup> of September 2023 are a true and accurate record***

**Proposed:** Mark Day      **Seconded:** Emma Bean

**In favour:** 9

**Against:** 0

**Abstain:** 3

#### **4. Matters requiring urgent attention.**

The Chair briefly consulted with CO Mander, and it was established that there were no matters that required urgent attention.

#### **5. Questions from the Public.**

The Chair briefly consulted with CO Mander, and it was established that there were no questions from the Public.

#### **6. To note Budget Monitoring Report 2023/2024 – Month 8.**

Peter Lappin introduced this Agenda Item. The budget approved in December 2022 agreed to the use of reserves of £2,400 to balance the budget for 2023/24. The Authority is expected to receive additional grant funding of £150,000 from DEFRA for 2023/24. There is currently a projected overspend against budget for the year of £2,475. Employee costs are forecast to overspend, although the impact of the job evaluation agreed at the last Authority meeting is offset by holding vacant posts. Boat costs are over budget due to forecast maintenance costs. Overspends have been offset by increased bank interest income. This has resulted in a projected call on the General Reserves of £4,875. Projected balance of the General Reserve account as at 31<sup>st</sup> March 2024 was £523,259. The Chair invited questions and comments.

Simon Excell reminded all that draft Agenda Item 6 Officer Paper had been discussed during the Finance Working Group meeting earlier this year and highlighted that the calculations within it assume that £150,000 would be received from DEFRA for year 2023/24. Simon Excell wished to know if the funds had been received. They had not. CO Mander provided an update following a meeting between AIFCA and DEFRA on 19<sup>th</sup> January 2024 where it had been confirmed that the £150,000 was expected for the financial year 2023/24. In reference to the grant funding in the financial year 2024/25, DEFRA's officials committed to provision of the funds however the amount had not been specified. There were no further questions.

#### **7. REVENUE BUDGET AND CAPITAL PROGRAMME 2024/25**

##### **Joint Report of Chief Officer and Treasurer**

As part of an update regarding the most recent communications with DEFRA, the Chair read out an email received from DEFRA on 23<sup>rd</sup> January 2024 as well as his response. There was no further reply from DEFRA. The Chair would continue to seek comments. Cllr Twiss confirmed that he had written to DEFRA, in the hope of seeking clarity regarding Devon and Severn IFCA's funding issues to aid Devon County Council's own financial planning. With Cllr Twiss' permission, the Chair will circulate a copy of the letter to the Authority's Elected Members and relevant Officers. The Chair encouraged all Elected Members to write directly to the relevant Minister in support to ensure a momentum is kept resolving the Authority's funding issues.

Comments and Questions:

Cllr Preest declared that he had written to the Minister. Simon Excell thanked Cllr Twiss for sharing the email. In Simon Excell's opinion, DEFRA's response doesn't fully reflect the spirit of the meetings with the Local Authorities. He felt that the meetings were not appropriately utilised and did not give the opportunity to explore the current funding issues. Simon Dury agreed with this feedback. Felicity Sylvester agreed that the funding

formula needs updating. In Felicity Sylvester's opinion, change is needed to ensure that the Severn Local Authorities' contributions reflect the level of involvement of the Authority in those areas. Felicity Sylvester urged for more of the Officers' time to be dedicated towards fisheries management in the North of the District or a change to the funding model if this was not feasible to deliver. The Chair advised that the Officers cannot determine how the funding model is reviewed, it is for DEFRA and the Local Authorities to do that. CO Mander reminded Members that DEFRA had allocated £1,500,000, shared equally across the ten IFCAs to help deliver additional workstreams as well as provision of the New Burdens Funding (NBF) – in Devon and Severn IFCA's case £409,000 of NBF. DEFRA will set out what work needs to be delivered, mainly addressing national, rather than local affairs. For the Devon and Severn IFCA, once the £150,000 is no longer available, funding of the work addressing local matters will be very limited. The Annual Plan approved by Members highlighted these difficulties and excluded tasks that would not be undertaken due to limited resources. CO Mander reminded Members that even with the limited funds available, the Officers managed to engage on key workstreams on the north coast including the recent consultation regarding Hinkley Point C Nuclear Power Station, in-person engagement sessions to be conducted in Ilfracombe, formal consultation regarding the crab fishery, and assessment work relating to the Bristol Channel Approaches SAC. CO Mander encouraged the Members to read the Annual Report for more details and declared that the Officers wish they could deliver more for on the north coast but were constrained by the lack of funding. Cllr Twiss shared this frustration. The Chair encouraged all to raise their concerns in any capacity they can.

With no further comments, CO Mander introduced the content of the Officers' Paper regarding Agenda Item number 7 by highlighting Point 2.3. The budget assumes continuation of additional funding from DEFRA of £150,000. In 2022/23 the Authority received £150,000 and a further £150,000 is expected in 2023/24. Indications are that some additional funding may be available in 2024/25, but it is not clear how much. There has also been no clear indication of what additional work or assurances are required by DEFRA. Any shortfall, once the £150,000 is no longer available, will have to be provided from General Reserves. Peter Lappin emphasised the budget setting difficulties due to the £150,000 additional funding not yet received for the financial year 2023/24 and having to base an annual budget on only a verbal assurance. Peter Lappin brought to everyone's attention Point 1.6 - *Note the risk that DEFRA funding for 2024/25 does not continue at the current level of £150,000 and approve that any shortfall is met from the general fund reserve.* In financial year 2024/25, just over £2,000 is forecast to be transferred from General Reserve, provided the suggested increase in the levy contributions of 3%. Figures in the report emphasised reliance on the additional DEFRA funding and the risk of the future budget setting without it. Peter Lappin reminded the Members that the General Reserve funds are to be utilised for any atypical payments, if approved by the Authority or for risk management.

Cllr Preest wished to explore a possibility of enquiring with DEFRA about adjusting the annual £150,000 payments to account for increasing inflation rates. CO Mander reassured Members that the Chief Officer of the AIFCA had been addressing this amongst other uncertainties, but it is CO Mander's understanding that the £150,000 was a set amount based on Defra's SR21 bid and departmental settlement. The Chair added that the 2021, three-year Spending Review was nearing its finish. CO Mander emphasised point 4 of the Paper which recognised a recruitment freeze. Devon and Severn IFCA is working with a much smaller resource compared to the other IFCAs. For instance, North Western IFCA's 2024/25 budget was £1.8M and Eastern IFCA would operate on a budget of £1.9M. Devon and Severn IFCA has the biggest area consisting of two coastlines and the biggest mobile fishing fleet but has a proposed budget of £937,500. Mark Day praised the report but wished it had shown what the Authority is not delivering due to the lack of funding. CO Mander recommended the 2022/23 Annual Report which records any work which the Officers did not manage to deliver. The 2023/24 Annual Report will show the most current information and will be presented to all the Members, including those representing the Local Authorities at the March 2024 meeting. PPO Townsend

recommended reading the Annual Plans in conjunction with the Annual Report. There was an uncertainty amongst the Members considering who the reports reach in terms of the officials responsible for addressing the funding formula.

Felicity Sylvester was supportive of the Paper but wanted to see further conversation as well as action in terms of management and addressing concerns relating to the closures of the fisheries in the North Devon. CO Mander informed the Members that the report DEFRA had commissioned 'Evaluation of Inshore Fisheries and Conservation Authorities' was available; however, DEFRA had communicated that the data within it should not be used to compare individual IFCAs' achievements. In addition, DEFRA must submit a Quadrennial report to the Minister on the performance of IFCAs and the next step for the report covering 2018-2022 was about to go through its public consultation phase. Any member of the public can participate. In CO Mander's opinion, any report will show that the Devon and Severn IFCA is an outlier in terms of funding and many other metrics related to IFCA work across England. The Chair and CO Mander shared the view that Devon and Severn IFCA's stakeholders deserve a better service which the Officers will not be able to deliver unless the funding formula issues have been addressed. Cllr Twiss was interested to check if the officials who receive the information about the levels of the General Reserves are aware that it represents the full extent of the funds, rather than just an amount remaining once any funds have been assigned to specific projects – this is the management style for the reserves at Devon County Council. This misunderstanding of the information may leave the officials under the impression that the level of funds is higher than it is. Peter Lappin and Cristina Geary-Nelson will be able to look into the methods of how best to convey the true levels of reserves. There were no further questions.

#### ***That Members Approve the Revenue Budget and Capital Programme 2024/25***

***Proposed Cllr Peart Seconded Wayne Thomas***

***In favour: 11  
Against: 0  
Abstain: 1***

### **8. To Note the Medium-Term Financial Plan 2025-2028**

CO Mander introduced the Agenda Item. The Medium Term Financial Plan (MTFP) had been prepared by the Chair, CO Mander and the Devon County Council Finance Team in the attempt to look ahead in terms of financing. The General Reserve must not reach a level below 25% of an annual Revenue Budget. At the recent Finance Working Group Meeting, CO Mander mentioned that he had received a clarification regarding the £150,000 funds from DEFRA stating that the funds had not been intended to be used by the IFCAs as income but rather to be utilised in terms of specific, additional tasks. In the absence of any confirmation on what the additional money was to be used for, the Authority had made the choice to use those funds to support the Revenue Budget. In the financial year 2025/26, if £150,000 or any other amount was received from Defra to deliver additional specific national workstreams, it should not be used to reduce the Levy on the local Authorities. Section 3 of the report sets out scenarios if no additional funds are available, however it assumes that the operational budget remains unchanged. The recruitment freeze is to remain and there will be no opportunity to increase staffing. The New Burdens Funding amount has not seen an increase since 2011.

The MTFP forecasts the budget gap across the years 2025/26 – 2027/28 (as per the request of the Finance Working Group) and looks at ways to fill it. The Finance Working Group investigated the issue of the shortfall in the budget. According to the projections, three of Devon and Severn IFCA's Somerset and Severn Local Authorities would be expected to support the New Burdens Funding with their own taxpayers' money for the first time in 2025/26. In the year 2026/27 all five of the Somerset and Severn Local Authorities would have to do so. This would bring Devon and Severn IFCA's Local Authorities in line with all other Local Authorities that fund IFCAs nationally. Cristina Geary – Nelson, Peter Lappin and CO Mander aimed to introduce the MTFP in a comprehensive way whilst recognising that none of the options would be welcome by the Local Authorities, however the budget gap must be filled. The Finance Working Group had recommended that the Officers include another scenario which required a 9.5% reduction in the Operational Budget each year for the next three years. This had been addressed in point 4 of the Officers' Paper. CO Mander explained that the only way this could be achieved would be by a reduction in staffing. If this was to happen, Devon and Severn IFCA would be unable to enforce its Byelaws or conduct any research and so the scenario of the operational budget reduction, was in his opinion, not feasible, however CO Mander invited the Members to suggest potential savings. To highlight the dire financial situation of the Devon and Severn IFCA, CO Mander quoted the Cornwall IFCA's enforcement team budget which stands at only £172,000 less than Devon and Severn's total Revenue Budget. Peter Lappin reminded the Members that the MTFP was drafted to consider projections, not budgets with the main theme being "uncertainty", mainly regarding reliance of the Authority on the additional funding which is not due to continue past year 2024/25.

#### Questions and comments

Simon Excell wished to stress to all present that the current financial arrangement was a cause for concern, and the Officers' Paper introducing the MTFP conveys this. The payroll cost can be expected to increase, as can other costs, due to inflation, which means that without the £150,000 the reserves will be significantly reduced soon. The current approach cannot continue. The Authority has a policy which dictates that the reserves cannot fall below 25% of the Revenue Budget and unless the budget gap is filled, there is a risk of this happening. Simon Excell wished that the MTFP was shared with DEFRA. CO Mander advised that it had been. Cllr Twiss suggested resending, including Simon Excell's comments. The Chair pointed out that any comments can be shared in the form of the meeting minutes and that the MTFP Paper can be referenced by the Elected Members and Officers in any future correspondence with the Minister. Emma Bean wished to explore the notion of the minimum value of the reserves (25% of Revenue Budget) and how this was set. CO Mander explained that this is a standard rate across the IFCAs. Peter Lappin contributed to advise that in the light of the financial risks the Authority is currently facing, it is prudent to keep the 25% level. Emma Bean asked if this judgement should be justified officially. As the meeting papers have already been published, there was no scope to add the justification to them however CO Mander reassured Members that the matter will be recorded in the minutes of the meeting as well as included in the Officers' Papers for the Authority meeting in March this year. PPO Townsend pointed out that since the initial creation of the Officers' Paper discussed by the Authority in 2015 (regarding the reserve levels), there was another paper which has since been discussed and reconfirmed.

Peter Lappin pointed out section 6 of the MTFP which showed a projected use of reserves until the year 2027/28 with a 3% increase to levy next financial year, followed by three years of 9.5% increase, whilst still using the reserves to close the gap, which he recommended as the balanced approach. CO Mander noted that North Western IFCA managed to secure a 21% increase in budget following a re-basing exercise. The Chair found the Officers' Paper very useful and thanked CO Mander, Cristina Geary - Nelson and Peter Lappin.

There were no further questions.



## **9. To consider changes to the Authority's Financial Probity and Administrative Regulations**

Peter Lappin introduced this Agenda Item. The Financial Probity and Financial and Administrative Regulations set out how the financial business of the Authority should be conducted. The Chief Officer and the Treasurer are responsible for ensuring that the Authority's Financial Probity and Financial Administrative Regulations are kept up to date and are approved by the Authority. The proposed key change to the Finance and Probity and Financial and Administrative Regulations was to remove the requirement for a minimum balance of £200,000 in the bank where no interest income was generated. Instead, more active treasury management will maximise the interest earned in deposit accounts. This was an important amendment which was hoped to maximise the Authority's income. There were no questions.

***That Members approve the change to the Regulations to remove the requirement to have a minimum balance of £200,000 in the bank.***

***Proposed Cllr Twiss Secoded Cllr Peart***

***In favour: 12***

***Against: 0***

***Abstain: 0***

## **10. To note the IFCA letter sent to DEFRA regarding the 2024 Pollack fishery**

Members noted the letter as part of the Officers' Papers. Members were advised by the Chair to keep the Officers' Paper to hand in case they were asked any questions regarding this topic by the public.

## **11. To note the report on the work of the Byelaw and Permitting Sub-Committee**

Members received the report as part of the Officers' Papers. Members were informed that Devon and Severn IFCA had received an unprecedented number of responses (360), relating to the netting proposals in the Salcombe Estuary. For context, CO Mander stated that the national Bass FMP consultation only received 255 responses.

PPO Townsend informed Members that the next Byelaw and Permitting Sub-Committee meeting would include members of the public that wish to observe proceedings.

Members discussed the Byelaw work and shared Officers' concerns regarding the time taken for the Marine Management Organisation (MMO) to complete the quality assurance phase relating to the byelaws that had been sent to them. Officers had recently learned that the MMO were questioning whether Devon and Severn IFCA needed to include vessel monitoring provisions in the Mobile Fishing Permit Byelaw 2022, as the new Statutory Instrument was expected in April 2024. CO Mander confirmed that for various reasons, and as explained to the MMO, Devon and Severn IFCA must have provisions relating to vessel monitoring in the Mobile Fishing Permit Byelaw 2022. PPO Townsend added that discussions with the MMO's byelaw quality assurance team had been constructive and of value to inform additional drafting work.



There were no further questions.

## **Agenda Items for information**

### **12. AIFCA – The Chief Officer’s Report**

*Emma Bean left the meeting at 15:00*

Members received the report as part of the Officers’ Papers. The Chair indicated that AIFCA had been extremely helpful in the Authority’s dealings with DEFRA (regarding the funding issues). Felicity Sylvester wished for any Members to produce and share a report after they attended any external meetings in the capacity of a Devon and Severn IFCA’s Member.

CO Mander reminded all, that no discussions should arise following any Agenda Items classed as “for information”, however Members are welcome to put forward questions which will be taken into consideration whilst preparing the following Authority Meeting’s Agenda.

### **13. Date of the next meeting**

The next Authority Meeting is planned for 21<sup>st</sup> March 2024

***End.***