



Authority Meeting

Draft Minutes
12th December 2024

Version & Date	Comments
Version 0.1 19/12/2024	1st set of draft minutes from 12 th December 2024, prepared by F&AM Pepper for internal review
Version 0.2 28/01/2025	Review and amendments by Officers. Circulated to Members for review.
Version 0.3 12/02/2025	Updated as per comments received from Members with small amendments as well as two factual amendments on page 5 implemented by FAM Draft Minutes V 0.3 published on website

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Authority Meeting 12th December 2024 Exeter Racecourse

Present:

Chair: Prof. Mike Williams

Vice Chair: Dr Pamela Buchan

Councillors: Phil Twiss (Devon County Council), Alan Preest (Gloucestershire County Council), Alistair Dewhurst (Devon County Council), Ron Peart (Devon County Council)

MMO Appointees/ Statutory Members: Dr Emma Bean, Didi Alayli, Jasmine Rix (Natural England), Mark Day, Wayne Thomas, Neil Smith (Marine Management Organisation)

Officers: Simon Excell (Gloucestershire County Council), Jessica Maunder (Devon County Council Finance Team)

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

Public: No members of Public present.

Welcome

The Chair formally welcomed all to the meeting and thanked them for their attendance.

Action Items:

1. Apologies for absence

F&AM Pepper stated that the following apologies had been received:

Jon Dornom, Simon Thomas, Charlie Ziemann, Cllr Hughes, Cllr McCarty, Peter Lappin, Simon Bunn, Brian Glasson, Cllr Oakes, Cllr Williams, Guy Baker, David Morgan, Dave Saunders, Simon Toms, Stephen Dury, Jessica Bishop, Kathy Derrick

2. Declarations of Interest

The Chair invited all to bring forward any declarations of interest. There were none. In terms of the Authority Members declaring interest and seeking dispensation to participate in the Authority's meetings, CO Mander reported that the Chair of the Authority had declared an interest due to being a Vice Chair of the Association of the IFCA's (AIFCA). CO Mander was satisfied that, at this time, no dispensation was required.

3. To consider and approve the Draft Minutes of the Authority Meeting held on 19th September 2024

The draft minutes from 19th September 2024 were examined page by page. Three non-substantive amendments were actioned by F&AM Pepper on pages five and nine as per the Members' suggestions.

That the minutes from the Authority Meeting held on 19th September 2024 are a true and accurate record.

Proposed: Dr Pamela Buchan Seconded: Cllr Phil Twiss

In favour: 11

Against: 0

Abstain: 1

4. Matters Requiring Urgent Attention

The Chair briefly consulted with CO Mander, and it was established that there were no Matters Requiring 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 – Month 6

Jessica Maunder introduced this Agenda Item by pointing out an error on page one as the first paragraph quoted “Month 4” where it should have quoted “Month 6”.

The budget monitoring at Month 6 indicates that there will be a projected transfer to general reserves of £5,166 mainly due to the Employee Cost (where the actual pay award was lower than budgeted), a vacant post for 2 months, and an increase in interest income due to favourable base rates. The Authority is expecting to receive one off grant funding from Defra of £140,000, rather than the original £150,000 budgeted for 2024/25. This has been projected in line with the reduction to grant funding received by the Authority in 2023/24. The officer paper provided information about any variances over £1,000. Jessica Maunder invited questions and comments.

Simon Excell wished to note that since the £140,000 Defra grant tends to reach the Authority’s account towards the end of the financial year, this should be noted as a risk, albeit low, in case the funds were not received in the relevant financial year. On the request of the Chair, CO Mander provided an update – the Authority is currently awaiting the remaining £40,000 as well as letter from Defra, which will confirm what is expected from the officers to deliver in reference to this funding. According to the Chair, the Chief Officer of AIFCA, Rob Clark shares the expectation that the grant should be received before the end of the current financial year. With no further questions or comments, the Chair thanked Jessica Maunder and the Devon County Council Finance Team for their assistance with the preparation of the paper.

7. To note the Medium-Term Financial Plan 2025 - 2028

Jessica Maunder suggested that the Agenda Items 7 and 8 are best introduced at the same time as they are tied together. The Chair agreed and recommended that the Members highlight which of the two Agenda Items they wish to comment on during any discussions. Jessica Maunder proceeded to introduce the Agenda Item number 7. The Authority's Finance Working Group (FWG) met on 19th November 2024 when the draft of the Revenue Budget and Capital Programme 2025/26 was discussed. Consensus amongst those present in the FWG meeting was to support Scenario 1 which was deemed the most pragmatic, proposing a 6.75% budget increase in financial year 2025/26. The officers' paper related to the Agenda Item 8 introduced in detail the potential increase in the levies received by the Devon and Severn IFCA from its funding Local Authorities. The paper also quoted an increase in the gross revenue as 2% and presented relevant budget adjustments and risk assessments. Jessica Maunder noted an error in the title of the officer paper relating to the Agenda Item number 8 – it quoted "Revenue Budget and Capital Programme 2024/25" where it should have quoted year "2025/26". Jessica Maunder invited questions and comments.

CO Mander provided additional comments. The Medium-Term Financial Plan (MTFP) presented to the Members in the meeting was a revised version of the MTFP which formed part of the Agenda in the Authority's last budget meeting in January 2024. The MTFP reflects an attempt to close the gap between the income from levies and the Authority's operational budget. Whilst taking into consideration the increased cost of living; it does not provide a budget which would allow the Authority to meet all its statutory duties. The recently released 2023/24 Annual Report, shared with Defra, indicated this issue and documents some of the workstreams which were not completed. The difficulty of delivering the work is compounded by the recruitment freeze. The MTFP, although it offers a welcome solution to addressing the financial risks, should not be considered as a remedy which will allow the Authority to fulfil its statutory duties.

The Budget proposal does not take into account the additional Defra funding which, if made available, arrives late in a financial year and is not to be used to contribute towards the operational budget. The additional Defra funding is received by the IFCA's with an expectation to fulfil specific work aimed at delivering national priorities. The available additional funding is only short-term, which prevents the Authority from employing additional staff to undertake the work. Devon and Severn IFCA is the smallest of the mainland IFCA's in terms of employees, which means that because officers have prioritised delivery of the national workstreams, certain local management has not been progressed. It is prudent to draft the next year's Budget without taking into consideration the additional funds from Defra. In terms of the actual increase in the funds contributed by the Devon and Severn IFCA's funding Authorities, the financial year 2025/26 would be the last year in which the potential increase would remain covered by the New Burden Funds for the Somerset and Severn Local Authorities. Although improvements to Devon and Severn IFCA's funding structure may be made possible, Defra's current involvement with the funding Local Authorities needs to result in an uplift in the operational budget above what is necessary just to maintain the current level of staff and assets. The Chair invited questions and comments.

Cllr Preest stated that Gloucestershire County Council did not wish to veto the proposed increase in the budget and, in reference to Agenda Item 8, suggested a 3% increase in charges for the services that Devon and Severn IFCA offers in order to keep in line with what is applied annually by the Gloucestershire County Council. CO Mander provided context in terms of the various fees and services – the increase in the price of the fishing permit applications can only be actioned once changes to the relevant Byelaws have been signed off by the Minister. In reference to the Waddeton fishery lease fees – this will not be relevant past March 2026 as the fishery won't exist after that time. Additionally, there are currently only two licence

holders and therefore the fishery provides very little income to the Authority. There has been no interest recently in the charter of the Authority's vessel. However, taking into consideration these points, CO Mander appreciated that the Members expect an increase in the fees and offered that this proposal would be noted. Dr Emma Bean enquired about any administrative cost associated with the implementation of any increase of the fees. CO Mander gave reassurance that, once agreed, the increased cost will be only applicable when the current permit or licence is being renewed. Cllr Twiss was supportive of the increases as it was important, in principle, in his opinion, even if the monetary gain was not great. Dr Pamela Buchan was supportive of the increase in the fees in reference to the vessel charter.

Simon Excell wished to comment on the Agenda Item 7 by highlighting a worrying trend in terms of the level of the Authority's General Reserves as shown in the chart within point 2.5 of the officer paper. Simon Excell reminded everyone that the Authority has a policy which quotes that the General Reserves must not fall below 25% of the given year's revenue budget. Simon Excell pointed out uncertainty in terms of the future levels of inflation which need to be taken into consideration when regarding the three Scenarios introduced in the paper to avoid the Authority not being able to satisfy its own policies. Simon Excell reported that these concerns were mentioned by the Gloucestershire County Council's representatives during the recent meetings with Defra. The Chair shared with the Members that he was copied in on correspondence as well as Defra's reply which quoted that Defra's officials are aware of the Devon and Severn IFCA's issues and are in a conversation with the funding Local Authorities. The Chair recommend that any Members who are concerned about the Authority's financial position and the current funding formula write to the Secretary of State. CO Mander highlighted that Scenario 1 from the officer paper is the Scenario recommended jointly by himself and the Treasurer as it allows most leeway between the required General Reserves level and the forecast Budget and therefore is the safest in terms of the risks to the Authority. Scenarios 2 and 3 may appear more attractive now but introduce higher risk in the future.

Jasmin Rix declared, on behalf of the Natural England, support for Devon and Severn IFCA and both an appreciation for the important work that the Authority delivers and a hope that its budget would not be limited. CO Mander thanked Jasmine Rix.

The Chair provided an update on the meetings with the funding Local Authorities and Defra, which he and CO Mander attended in a capacity to ensure factually correct information was being used. The summary of those sessions was due to be completed before Christmas 2024 but had been delayed. The Chair had been made aware through conversations with Defra's Relationship Manager for the IFCAs, that a split of the Authority between the Devon, and Severn funding Authorities was being considered which, in the Chair's opinion, would have huge implications on the Devon and Severn IFCA. Simon Excell was appreciative of Defra's will to meet with the funding Authorities but felt that there was uncertainty surrounding the next steps until any firm options have been considered. Upon Dr Pamela Buchan's enquiry, Simon Excell provided background to the processes involved in the meetings between Defra and the funding Local Authorities – these meetings are in person sessions for all the Devon and Severn funding Authorities, divided for the ease of travel between the Devon and Severn areas. Dr Buchan was also interested in the options discussed during the meetings, including a potential for the Welsh Government and the Severn Local Authorities to work together. CO Mander was able to confirm that Defra was aware of alternative proposals resulting from the work commissioned by the Somerset and Severn Local Authorities and proposals to strengthen links with Welsh Government. Cllr Dewhirst shared feedback after the meeting he attended in Exeter together with CO Mander and other Members – Cllr Dewhirst was under the impression that funding was not at all at the core of the discussions on the day and that the meeting was, in this respect, pointless. Cllr Dewhirst was appreciative that discussions were taking place around the concept of the creation of separate IFCAs, but it is the funding of the IFCAs that is the main issue, and a

shift of remit is not equivalent to more funds being made available. Cllr Twiss stated that he was unable to attend but requested information about both the funding and the possible split of the Devon and Severn IFCA. Dr Pamela Buchan raised a point that the Marine Natural Capital Ecosystem Assessment Programme will no longer be funded and wanted to state that the IFCAs were very important in this work. She highlighted that many people are championing local management and coastal communities which is a role that IFCAs play.

The Chair reminded all present not to hesitate to inquire if any more information or clarification is required in terms of funding. There were no further questions or comments, and the Members proceeded to a proposal based on the recommendations in the officer paper as well as the Member's discussions regarding the Agenda Item 8.

That Members:

Approve the Revenue Budget outlined in Table 1.

Approve the increase to the levy of 6.75% for 2025/26.

Approve the transfer from reserves of £118,042 to support the budget for 2025/26.

Approve a 3% increase to the Fees and Charges set out in section 5 of the report

Review the Assessment of Volatile Budgets at Appendix B and note the risks, impacts and mitigations.

Proposed: Cllr Alan Preest Seconded: Cllr Phil Twiss

In favour: 12

Against: 0

Abstain: 0

8. To consider and approve the Revenue Budget and Capital Programme for FY 2025/26

This Agenda Item was discussed in conjunction with the Agenda Item 7.

Agenda Items for Information:

9. AIFCA Chief Officer's report

10. Date of next meeting

20th March 2025