

CONSULTATION – Wash Fishery Order (1992): Licence Fees

The Authority is undergoing consultation on proposed increases to the WFO Hand-Work Licence Fees.

The consultation will close at noon on **Wednesday 18th October 2017**.

How do I take part in this consultation?

Please review the information below and provide written representations. The deadline for representations is **Wednesday 18th October 2017**. Please email representations to mail@eastern-ifca.gov.uk with the subject **WFO consultation** or write to:

Eastern Inshore Fisheries and Conservation Authority
6 North Lynn Business Village
Bergen Way
King's Lynn
Norfolk
PE30 2JG

Proposed Licence Fee Increases

The WFO 1992 enables the Authority to apply a toll for the issuing of licences and the amount of the toll can be varied with the consent of the Minister. Prior to the introduction of the Marine and Coastal Access Act (MaCAA) 2009, tolls could only be applied for the 'improvement and cultivation' of a regulated fishery under the Sea Fisheries (Shellfish) Act 1967. This was amended by MaCAA, which provided that tolls could be applied '...for purposes relating to the regulation of...' the fishery.

The current level of charges and mechanism for annual increases were established and approved by the Secretary of State in 2012 for the 5-year period to 2017. At the 27th Eastern IFCA meeting it was proposed and agreed for Eastern IFCA to move to 50% cost recovery over 3 years using incremental increases starting in April 2018 (see table 1 below). A full review will be undertaken once this is achieved.

Table 1. Licence fee increases over the period Apr 2018 to Apr 2020

Date	Increase	WFO Licence fee
April 2018	£348	£678
April 2019	£348	£1026
April 2020	£349	£1375

In addition to the fee increases, Eastern IFCA will merge the 'propagation' and 'administration' elements of the fee. This would see the full licence fee go to administration with the full amount being recovered by the Authority. This is because the propagation fund is currently underutilised. Any future requirement for 'propagation' expenditure would be included in the overall costs to the Authority for managing the fisheries.

Impacts on the fishing industry have been considered in the associated impact assessment which indicates that licence fee increases are not likely to be of a magnitude which is likely to put any business model at significant risk although impacts on profit are likely to occur. The Impact Assessment can be found at the link on the webpage.

Why are we increasing licence fees?

The Authority, is funded from the public purse and is under pressure to continually deliver more for less and to find ways of generating more income. As such identifying opportunities for income generation and ensuring judicious expenditure of public money is a key consideration for the Authority. It is clear from analysis of the activities required to facilitate and manage the fishery that Authority expenditure does not correlate to the value of the fishery and that the current level of cost recovery represents less than 7% of actual costs incurred.

When considering the issue of cost recovery, it is important to note that all responsibility for management of the fishery, including undertaking annual surveys/stock assessments, effectively falls to the Authority. Each year Licence holders are provided with detailed charts showing the distribution of cockles/mussels, which enables fishers to focus on those areas that are most likely to be productive.

The remit of the organisation changed substantially with the transition from a Sea Fisheries Committee to an IFCA and the competing demand upon finite resources mean that judicious management is a necessity. The ongoing financial pressures placed upon the funding authorities means that budgets are under scrutiny and there is a clear requirement to ensure that best value is achieved and that costs are recovered where it is appropriate to do so. Also, the level of cost associated with managing the fisheries under the WFO 1992 stands in stark contrast with the current level of cost recovery and that the significant financial reward from the fishery is entirely to the benefit of commercial undertakings.

It is acknowledged that one of the key duties of an IFCA is to ensure a viable industry and that as such a balanced approach to cost recovery is appropriate. This, combined with the complexity in establishing a model that works for both the industry and the Authority indicates that an incremental approach to cost recovery is adopted.