

Title: Wash Fishery Order 1992 Regulations IA No: EIFCA004 RPC Reference No: Lead department or agency: Eastern Inshore Fisheries and Conservation Authority Other departments or agencies:	Impact Assessment (IA)			
	Date: 13/03/2018			
	Stage: Development/Options			
	Source of intervention: Domestic			
	Type of measure: Other			
Contact for enquiries: Julian Gregory - CEO Eastern IFCA (01553 775321)				
Summary: Intervention and Options				RPC Opinion: Not Applicable

Cost of Preferred (or more likely) Option				
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANDCB in 2014 prices)	One-In, Three-Out	Business Impact Target Status
£-66,710	£-66,710	£7,376	Not applicable	To be determined

What is the problem under consideration? Why is government intervention necessary?
 Eastern IFCA manages certain shellfish fisheries within The Wash through the Wash Fishery Order 1992 which enables EIFCA to implement regulations. The Regulations require amendments to ensure that the wording reflects modern legislative standards and to address the gaps identified. The Wash is one of the most heavily designated conservation sites in the UK and managing shellfish fisheries therein requires regulation to prevent damage to designated features. In addition, the cockle fishery is worth £1.15 million (first sale value) on average per annum with several local businesses dependant on the fishery. Regulation is required to prevent environmental and economic impacts as a result of market failures.

What are the policy objectives and the intended effects?
 Objectives: To manage long-term, sustainable shellfish fisheries within The Wash which do not have an impact on site integrity (in relation to the protected status of the site). To gather fisheries data to inform management decisions and contribute to the effective enforcement of WFO management measures.
 Intended effects: to remake regulations considered appropriate using wording which is transparent and understandable. All vessels operating within the fishery will have an electronic monitoring device to enable monitoring of activity within the fishery. To implement primarily administrative restrictions which reduce the risk of over-fishing, habitat damage and non-compliance with other regulations.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)
 Option 0. Do nothing.
 Option 1. Wash Fishery Order Regulations
 The preferred option is option 1 – The proposed Regulations reflect modern legislative practices and improved clarity. The proposed Regulations also include measures which has previously been implemented as licence conditions and which are necessary to reduce the risk to site integrity (of the associated marine protected area) and fisheries sustainability.

Will the policy be reviewed? It will not be reviewed. If applicable, set review date: Month/Year				
Does implementation go beyond minimum EU requirements?			N/A	
Are any of these organisations in scope?			Micro Yes	Small Yes
			Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: N/A	Non-traded: N/A

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Chief Executive: _____ Date: _____

Summary: Analysis & Evidence

Policy Option 1

Description:

FULL ECONOMIC ASSESSMENT

Price Base Year	PV Base Year	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: 0.0	High: 0.0	Best Estimate: 0.0

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	0.0	£6,200	£53,368
High	0.0	£9,300	£85,152
Best Estimate	0.0	£7,750	£66,710

Description and scale of key monetised costs by 'main affected groups'

The monetised costs relate to the running costs (i.e. the cost of the device sending reports) associated with electronic monitoring devices. Installation of units (inshore vessel monitoring system) for vessels less than 12m in overall length will be funded through a European Maritime and Fisheries Fund. Other vessels are required to devices fitted already. The scale of this cost is considered minimal in relation to the potential income generated from the fishery.

Other key non-monetised costs by 'main affected groups'

There are potentially costs associated with the requirement to sort catch over the area that it was taken although these are considered to be minimal.

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Unkown	Unkown	Unkown
High	Unkown	Unkown	Unkown
Best Estimate	n/a	n/a	n/a

Description and scale of key monetised benefits by 'main affected groups'

None identified

Other key non-monetised benefits by 'main affected groups'

Non-monetised benefits relate to the use of data generated from the use of electronic monitoring devices. This will help inform management measures of future fisheries and enable Eastern IFCA to use more intricate management measures (particularly in relation to the size of closed areas) to the benefit of the industry. With the exception of electronic monitoring devices, the proposed regulations are similar to existing regulations or licence conditions but re-worded so as to improve clarity.

Key assumptions/sensitivities/risks	Discount rate	3.5%
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The majority of the proposed Regulations reflect a re-wording of extant restrictions and the effect of the measures will not have changed. There is limited risk associated with the new proposed Regulations as they primarily reflect restrictions which have been introduced as Licence Conditions or are an expected behaviour as set out in the code of conduct for the Cockle Fishery. Costs associated with the 'air time' of electronic monitoring devices may be subject to change.

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m:
Costs: 7,376	Benefits: 0.0	Net: -7,376	

Evidence Base

Problem under consideration

The Wash Fishery Order 1992 enables Eastern IFCA to introduce Regulations for managing certain shellfish fisheries within the Wash. Shellfish fisheries within The Wash are of national importance and is a designated Marine Protected Area (Wash and North Norfolk Coast Special Area of Conservation, The Wash Special Protection Area). Regulations are used, in addition to the licence conditions, to ensure that fishing is sustainable and does not have a significant impact on site integrity.

In recent years, the cockle fishery has been the dominant fishery generating an average first sale value of £1.15 million over the period 2010 to 2015 (inclusive – Marine Management Organisation landings data) and the recent 2016/17 fishery is estimated to have had a first sale value worth of £4 million (although this was an exceptional year).

In addition, three businesses within Eastern IFCA's district process the shellfish from these fisheries providing an important tertiary economic benefit in terms of related full-time jobs (engineers, factory workers, secretaries etc.).

The Wash shellfish fisheries have changed markedly since the introduction of the WFO. Cockle fisheries are more dynamic and have been affected by high levels of mortality and high levels of stock. New enforcement related issues have arisen which were not present or did not present as high a risk when the Order was first introduced which are currently addressed through the annual Licence Conditions as a temporary measure whilst new Regulations were developed. In addition, the wording of the regulations is archaic and lack transparency or clarity.

Rationale for intervention

New regulation is required to reflect the changes in shellfish fisheries and to provide a more consistent set of measures which also reflect modern legislative practices and increased transparency for those affected. Regulation is also required to require vessels to use electronic monitoring devices.

Policy objective

The policy objectives are as follows:

1. To ensure long-term, sustainable shellfish fisheries within The Wash;
2. To ensure fishing activity does not have a significant impact on site integrity within the MPA;
3. To gather fisheries data to better inform management measures and aid enforcement of WFO measures;
4. To provide management which is transparent and clear.

The intended effects of the measures (which represent additional requirements from the original measures) are as follows:

1. To dynamically set daily catch restrictions in relation to hand-work cockles fisheries to better reflect the needs of any given fishery;
2. To require vessels to use an electronic monitoring device;
3. To require fishers to return and material rejected as a result of sorting, as nearly as possible to where they were taken;
4. To provide weekly catch data,
5. To prohibit transshipping of cockles gathered by hand;
6. To require fishers to land cockles as soon as possible and not leave cockles on the sands or in rivers for later collection;

7. To prohibit fishing in any other fishery within the same calendar day as having fished within a WFO fishery;
8. To require fishers to use a bag of a specified description to land shellfish;
9. To prohibit the methods of 'prop-washing' which are likely to damage the environment;
10. To increase compliance with measures through increased transparency of measures.

Description of options considered (including status-quo);

Option 0 (do nothing) – Status Quo

The do-nothing option would not provide an appropriate regulatory framework in the context of contemporary Wash Fishery Order fisheries and would fail to provide appropriate transparency of the requirements placed on fishers.

Option 1 (preferred option) – Proposed amendments to Wash Fishery Order Regulations

New Wash Fishery Order 1992 Regulations are introduced which reflect modern legislative standards, are clear and transparent and reflect the needs of the fishery in the context of its presence in a heavily designated marine protected area.

Monetised and non-monetised costs and benefits

Costs have only been considered for Option 1.

Proposed Regulations which reflect only a change in the wording of existing Regulations, rather than a change in their effect are not considered in this analysis as their inclusion in the current proposal does not represent an additional impact. This is the case for proposed regulations 3, 4, 5, 7, 10, 11, and 12.

Additional restrictions within the proposed Regulations have been assessed below.

Electronic monitoring devices (proposed Regulation 6)

iVMS and VMS+ installation costs – Eastern IFCA intends to implement the requirement to install iVMS alongside a funding bid to cover the cost of iVMS installation. It is intended that the cost of requiring additional units will be mitigated entirely through a combination of EMFF funding and Eastern IFCA funding support. The 'low', 'high' and 'best' estimate for this requirement (transitional cost) is therefore £0.

Vessels over 12m in length will not require installation of electronic monitoring devices under this regulation as VMS+ devices are already required by the MMO.

iVMS and VMS+ reporting costs – The cost of reporting via iVMS is currently commercially sensitive therefore costs are estimated based on VMS+ billing rates using the General Packet Radio Service (GPRS). A VMS+ report is currently charged at £0.02 but can also be paid for as part of a monthly or yearly contract which could reduce the associated costs. Informal dialogue with the MMO has indicated that the annual cost of a subscription is between £100 and £150. The 'low' estimate of this cost takes into account all 62 potential licence holder paying £100 per annum for the subscription (£6,200 per year) and the 'high' cost is based on all vessel having a £150 per annum subscription (£9,300 per year). The 'best' estimate is the average between the 'high' and 'low' estimates which is £7,750.

Sorting of catch (proposed Regulation 8)

There is unlikely to be a cost associated with this measure. The Regulation may require vessels to spend more time sorting catch over the area which had been fished instead of doing so whilst steaming home, which will potentially have a low cost in terms of the fisher's time (and potentially a knock-on effect to wages based on an hourly rate). Many fishers already undertake the sorting of

catch as prescribed above and the requirement is a reflection of a licence condition which has been in place for two consecutive fisheries (2016 and 2017 fisheries).

However, this Regulation is considered an important measure in relation to preventing the spread of any diseases found on particular shellfish beds. The Wash cockle fisheries currently suffer high levels of mortality (known as 'atypical mortality'), the cause of which is not confirmed. The effects of this mortality are currently limited to certain areas within The Wash but could spread throughout without suitable biosecurity measures.

Whilst the benefits of the measure cannot be accurately reflected in monetary value, prevention of the spread of 'atypical mortality' reduces the likelihood of economic losses through large scale mortality events.

Daily Catch restrictions: cockles (proposed Regulation 9)

The proposed Regulation reflects the original restriction which restricts the amount of cockle which can be landed in each calendar day except that it does not specify the amount allowed. This is proposed as a 'flexible' Regulation to allow the daily catch restriction to be varied to best reflect the needs of each fishery and ultimately in-line with the Wash Fishery Order Management Plan (which is presently in draft).

Weekly catch returns (proposed Regulation 13)

This is already an established requirement on fishers which has previously been reflected as a licence condition. Whilst there is a burden on fishers time in completing such, Eastern IFCA does provide pre-paid envelopes to mitigate the cost of postage.

The fishery is managed through a 'total allowable catch' – the removal of which is monitored through the analysis of data provided by the fishers. Accurate and timely catch returns are therefore crucial to the management of the fishery. However, compliance with this measure is relatively poor and the inclusion of this measure as a Regulation rather than a licence condition increases the deterrent to non-compliance as it will have a higher associated 'penalty level' (and higher associated fines for non-compliance).

Transshipping prohibition, requirement to land (cockles) and dual fishing prohibition (proposed Regulations 14, 15 and 16 respectively)

No costs are anticipated with these proposed regulations which are primarily 'administrative' in their nature. In addition, these regulations were also implemented as licence conditions in previous years.

Standard Bags (proposed Regulation 17)

There is a cost associated with the procurement of 'bags' of the required specification however, this is already an established requirement on fishers which has previously been reflected as a licence condition.

Prop washing (proposed Regulation 18)

No additional costs are anticipated as a result of this Regulation as it effectively 'relaxes' the original regulation which prohibited 'prop-washing' using any equipment. This enables fishers to employ a fishing method which is more effective and less time-consuming than 'traditional' hand-raking alone. As such it is likely to have a beneficial economic impact although this cannot be accurately reflected as a monetary value.

Rationale and evidence that justify the level of analysis used in the IA (proportionality approach)

The proposed Regulations reflect primarily administrative changes or requirements which are already in place through different mechanisms and the scale of the costs associated with the use of electronic monitoring devices are considered to be low.

Risks and assumptions

The majority of the proposed Regulations reflect only a re-wording of extant Regulations and the effect will not have changed. There is limited risk associated with the new proposed Regulations as

they primarily reflect restrictions which have been introduced as Licence conditions or are an expected behaviour as set out in the code of conduct for the Cockle Fishery.

Costs associated with the 'air time' of electronic monitoring devices is subject to change at the discretion of the service provider.

Summary and preferred option with description of implementation plan

A review of the Wash Fishery Order (1992) Regulations required amending. The intended effects of the amendments are to provide additional clarity to fishers through use of plain English and to incorporate the lessons learnt from recent, contemporary fisheries. Requiring vessels to use an electronic monitoring device will be of benefit to the fishery as it will provide additional information to better inform management measures.

The proposed Regulations are unlikely to have a significant economic impact on fishers given that i) the majority of the Regulations reflect only a re-wording of the originals and ii) 'new' regulations reflect measures which have been introduced either as licence conditions or are an expected behaviour of the Code of Conduct (cockle fishery). In addition, the cost associated with the requirement to have an electronic monitoring device will be mitigated through the use of EMFF funding and ongoing costs are considered to be low.