

By: KEIFCA Chief Fishery Officer

To: Kent & Essex Inshore Fisheries and Conservation Authority

- 7 March 2023

Subject: The licence application process and the questions and

structure of the application form

Classification Unrestricted

# **Summary:**

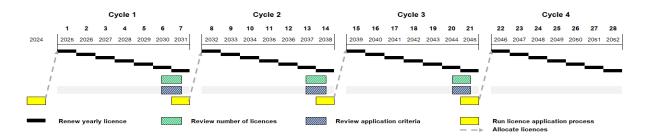
This paper reviews the feedback from stakeholders on the proposed licence application process, and addresses specific comments regarding the process as outlined in the Consultation 3 document. In addition, issues and comments concerning the structure of the application form are also reviewed and evaluated. Specifically, feedback on the 2 different options for evaluating the relevant experience of applicants is compiled and recommendations made.

#### **Recommendations:**

The Authority **AGREE** to the recommendations below:

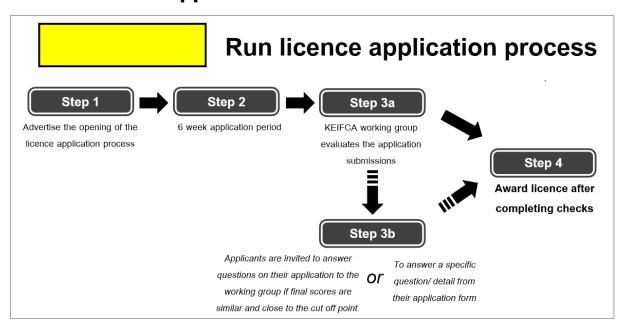
- a) The Applications Panel will consist of five KEIFCA members and two independent panellists with relevant expertise or knowledge.
- b) The TECFO and KEIFCA Permit Cockle fishery approach (Option A), is the option selected to be used in the application form.
- c) The application form will be updated to require applicants to outline where their cockles will be cooked during the 2024 season. Applicants will then be required to provide relevant information regarding their 2024 cooking activity after the end of the season and before the application panel meets. This information will then be used to inform the final marks of each application.

The 7-year licencing and review cycle



The new regulating order will run for 28 years (2025 - 2053) and be split into four separate 7-year licencing cycles. Licences will be renewed and issued annually to the same licence holders from year 1 to year 7 in each cycle (see Draft application forms and scoring descriptors document). The licence application process for the following 7-year cycle would take place in the year prior to the start of each cycle. Before starting the licence application process KEIFCA will review and agree both the number of licences it will issue in the next 7-year cycle as well as the application criteria weighting, and process applicants will use to apply for a licence. Using the agreed vision and evaluation criteria as a framework, both reviews will assess all relevant information and ask stakeholders for feedback on any proposed changes.

# 1. The Licence Application Process



The process and framework for issuing licences under the new regulating order was always going to result in difficult decisions, as KEIFCA recognises that it is highly likely that there will be more applications than licences issued, which will leave some applicants disappointed.

Building on industry feedback from Consultation 2, KEIFCA has looked to simplify the application process, with applicants required to fill in one application form (see Draft application forms and scoring descriptors document) rather than a Selection Stage / Pre-Qualification Questionnaire (PQQ) and then a Final Application form. As previously outlined in Consultation 2 the Applications Panel would evaluate and score each application against the grade descriptors for each question. Total scores will be used to rank applications and licences would be awarded in descending scores starting with those with the highest scores until all available licences have been issued. The Applications Panel would consist of five KEIFCA members and could include expert independent input.

As a first stage of evaluating and scoring the applications, applications that score less than half the top applications marks or receive an 'Unacceptable' or 'Major Reservations' score from one of the questions will be removed from the process. Applications that pass this process will be discussed in more detail with applications divided into separate questions, ranked, and then scored blind, without members knowing who the applicant is. Once each section is scored the full applications scores will be compiled and moderated by the Applications Panel.

If the final scores are the same or close in the judgement of the Application Panel, for two or more applications and at the cut-off point where applicants would or would not receive a licence, the relevant applicants would be invited to a special meeting of the Applications Panel and asked to orally run through their application and answer questions on their application from the Panel. Application Panel members would then carry out an additional scoring of those applications. The Applications Panel could also invite an applicant to attend and answer a specific question or add specific detail from a section of the application.

Licences will need to be renewed each year by licence holders from year 1 to year 7 in each cycle using a specific form which also allows licence holders to change vessels and crew as necessary for their business, in the same or a similar way to how they are under the Thames Estuary Cockle Fishery Order (TECFO) 1994 system.

# **Feedback from Consultation 3**

Below are illustrative examples of replies received from the consultation - For a compilation of all the replies please see the Consultation 3 – Summary of Reponses document pages 2-3.

### Comments from current TECFO licence holders

"This application process will be the fairest way to issue new licences. If the applicant meets all the criteria, then those with the highest score should be granted a new licence. This process will stop those trying who have no relevant experience or knowledge about the fishery from being issued a licence. "

"Please issue them to local fishermen that have served an apprenticeship."

"Nothing to add regarding the application process, it seems clear and quantifiable. It is important that the applicant understands the inner workings of the fishery. Knowing the individual fishing beds, technical aspects of running the fishing vessel and general seamanship are all critical to demonstrating that the applicant is personally invested in the fishery."

"The process is very complicated but perhaps it needs to be. The process needs to be thorough to ensure that jobs and lively hoods are protected."

# Comments from CFFPB permit holders and the Catching Sector

"I think the license process is fine as long as the criteria the stakeholders are being judged on is fair. Numerous proposals can be seen as discriminative and unfair at the moment. This is a Cockle Licence application so only experienced cockle fishermen should be considered".

"I think the overall process of issuing licences is okay as long as the criteria is fair for everyone who applies."

#### 1.2 Officer comment

Overall the feedback was generally positive and Appendix 1 lays out and addresses specific suggestions that arose from the consultation regarding the process of applying for a licence. Suggestions concerning the inclusion of two independent people on the application panel are sensible and proportionate if this step helps reassure stakeholders of the transparent and objective nature of the application scoring process. Officers are confident the licence application process will be fair, transparent and robust, and the next stage is to develop the detailed wording that would be contained in the management plan.

#### Recommendation

a) The Applications Panel will consist of five KEIFCA members and two independent panellists with relevant expertise or knowledge.

# 2. The Application Form

Officers, KEIFCA members, and our legal team have worked hard to create a straightforward application form. A draft version of the application form can be found in the *Draft application forms and scoring descriptors document* and is included to illustrate how the application process will work in practice, giving prospective applicants an idea of what the final application form might look like. The scoring scheme and grade descriptors that will be used by the Application Panel to score the applications can be found in this document.

# <u>Feedback from Consultation 3 on the general structure and questions in the application form</u>

Below are illustrative examples of replies received from the consultation - For a compilation of all the replies please read the Consultation Summary document pages 14-17.

#### Comments from current TECFO licence holders

"The draft application forms certainly include every aspect of the stakeholders views to allow this consultation to determine the companies that are best suited to carry this fishery on successfully. The annual review covers the main details for any changes that need to be made on a yearly basis."

"I struggle to find fault with the license application form and also the scoring. It achieves what it set out to do in a quantifiable manner. I had previously thought the business plan was not of great importance, however having analysed what is proposed I think it will be of strong benefit to the application."

"Very good"

"With Respect. I think it is sad that a person or a company has to go through so much to be able to continue to do exactly as he has been for the last 30 + years, and if his answers are not satisfactory he is out of work or his company is closed down."

"The form is very complicated."

# Comments from CFFPB permit holders and the Catching Sector

"A lot of the questions were directed at fishermen that are already in the cockle industry and have a company. As a local fisherman with the knowledge and equipment to successfully fish cockles, I have answered to the best of my ability."

#### Officer comment

Officers and members have worked hard to strike the correct balance between gathering relevant information to inform the process and not creating a process that feels overwhelming to prospective applicants. Officers hope that once the Authority decides on the key issues being consulted on in this consultation (e.g. weighting of questions and different mechanisms for capturing experience) then the application form will become simpler still. Appendix 2 identifies and comments on suggestions regarding the specific questions used in the application form.

There are no additional changes recommended after reviewing feedback from Consultation 3.

# 2.1 Reviewing the two options for assessing experience.

Members reviewed the suggestions from both the Consultation 2 and Consultation 3 pre-consultation phase, regarding track record. Feedback from the majority of the current TECFO and the Permit fleets felt that just the track record built up from working in the Thames cockle fisheries over a number of years should be used to score this question. However, fishers who had worked in the industry but had not been either licence holder or a permit holder, or who expressed a desire to work in a valuable local fishery on their doorstep but had not had the opportunity, felt that more factors should be considered like experience of working in the Thames or experience of working in other cockle fisheries in the UK.

To reflect these different positions, two different options were included in the application form, however both used the same underlying process to score track-record with the number of years a licence or a permit has been held during the reference period used to mark each application within a scoring band and then detailed information about the experience of the applicant used to score the application within the band. Option A uses the track record built up by applicants from the TECFO and permit fishery, whereas Option B also includes relevant experience of fishing in the Thames and relevant experience cockle fishing outside the KEIFCA district.

The reference period was taken from the introduction of the new permit byelaw to the season before this option was proposed (2015-2022). Feedback from some members of the industry had asked for a longer reference period to be used that included track record before the before the TECFO was created. Members reviewed this suggestion and felt that the scoring within a scoring band would allow this additional experience to be considered.

#### **Options under consideration**

Reviewing the feedback from the Listening Phase and from the Consultation 3 pre-consultation replies the members agreed to consult on the following options:

Option A – TECFO and KEIFCA Permit Cockle fishery approach

Or

Option B – Combined track record approach

# <u>Feedback from Consultation 3 on the two options for assessing experience.</u>

Below are illustrative examples of replies received from the consultation - For a compilation of all the replies please read the Consultation Summary document pages 10-14.

#### Comments from current TECFO licence holders

"TECFO and Permit approach is the only clear option. Primarily because it demonstrates the applicant has an understanding of working within the local area catching cockles. Whilst I have been a fisherman for the majority of my life, I have never been fin fishing, and would not begin to assert any understanding of how to do it. I have experience operating in the area, that doesn't mean I can do it safely for a species I have no experience working with."

"The cockle boats within the TECFO make the harvesting of cockles look very simple, but it is in fact a highly skilled job that takes many years to become safe and proficient at."

"Option A is the only option that should be considered. As mentioned previously. Experience of working in other sectors or cockle fisheries should account for little. Option B assumes that the applicants experience has given them valuable relevant knowledge which is necessary to work in the Thames. It does not. I am a cockler and have worked a British registered fishing vessel for 36 years but have never tried to catch a fish and do not consider my experience would make me a good fisherman. Why would anyone assume the reverse would be true? Likewise other cockle fisheries. I know how to set up my gear and know the local tides and grounds but have little to no knowledge of other cockle fisheries as I don't know the areas and they work in entirely different ways. The scoring requirements in option B are not appropriate. "

"Hydraulic dredging is extremely specialised. It takes years of experience to master it. Even after all these years, the fleet is still refining it. Having general experience of fishing in the Thames area, or even cockle fishing in other areas is really irrelevant with regard to hydraulic dredging."

"I can't see that option B makes a lot of sense. I can't see what other fishermen will know about cockling in the Thames."

# Comments from CFFPB permit holders

"I think Option A should be chosen because we are talking specifically about a cockle fishery. To find the best people to hold the licences for the cockle fishery you have to base the criteria and track record on cockle fishing, if this isn't done and other fishing track records have an influence on the distribution of these licences this could lead to the same affect of a person who buys there way in, because they also have no experience of cockle fishing. I think a cockle license should only be issued on the basis of a person having extensive cockle fishing knowledge and experience.(Track record) I also feel like this would be the best option because people who have shown commitment to the Thames area rather than participating in other fishing activities over the years should be held higher than people who have had the chance to fish the Thames in the past but have chosen not to do so. A Cockle track fishing record should hold more weight in deciding who gets future licences in my opinion. I also feel like the track record period should not just be 8 years, but in fact the whole duration of the regulating order, i feel like this is disrespectful to those who have shown commitment to the district for longer periods than 8 years. In the past 8 years there has been few fishing days for the CFFBB fishery so I feel like this gives a disadvantage to those who have shown commitment to the fishery even when it's not been successful. I feel like this is another reason why the track record period should consist of data from the entire duration of the order to give a true overview on who has done what when both fisheries have been successful."

"I have not been able to gain a track record within the TECFO fishery as to my knowledge no additional licences have been issued since the start of the original order; thus no-one can gain a track record apart from the original TECFO licence holders."

"If you use option B then anyone can apply and we need good knowledge of the cockle fishing industry to make a good working fishery"

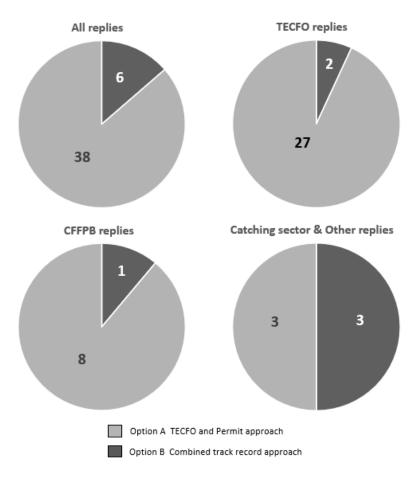
"Track record for other fishing is irrelevant to being a professional cockle fishermen so should not be used. On top of this using other fishing as a track record is wrong and unfair that will exclude genuine cockle fishermen. Not all cockle fishermen can fish for all species due to track records or MMO Licence approvals."

# Comments from the Catching Sector

"Having lived locally all my life and worked in the Thames over the last 30+ years, I find it frustrating that I am unable to retrieve a licence that will allow me to make a living with the equipment and knowledge I have. If I was successful in retrieving a licence it would allow me to make an impact on my local economy and do my job within the perimeter of my home. The experience and knowledge I have should be taken into consideration when applying for this application."

# Statisical breakdown of the consulation replies

Care needs to be taken in interpreting these summary pie charts as some consultation questionnaires responded on behalf of businesses employing numerous people, the results do however help give an overview of the majority view of different groups of stakeholders.



# **Officer Comment**

The consultation replies show an overwhelming support for Option A the TECFO and Permit approach from the current TECFO licence holder and the current CFFP holders and a split response from the catching sector. Although both systems are sensible and workable for officers, Option A is the simpler to administer as KEIFCA issues all the relevant paperwork and it is strongly supported from across the spectrum of the cockle industry.

# Recommendation

b) The TECFO and KEIFCA Permit Cockle fishery approach (Option A), is the option selected to be used in the application form.

# 2.3 Review of feedback concerning the scoring descriptors, the structure of scoring and allocation of marks within questions

Working through the consultation replies, officers have looked to identify and address any key issues highlighted by stakeholders in the application form. Appendix 3 collates this detail and provides commentary and recommendations based on each issue. Specific suggestions regarding how components of the experience score are used to arrive at a final mark, the duration of the track record used and objections to supporting local employment are individually addressed in detail. Specifics points were also made concerning the criteria used for landing and cooking cockles in the district, whether cooking locally is best considered in the business plan and the mechanics of assessing landing and cooking in 2024. Officers address each of these points in detail and are recommending that the application form should be updated to require applicants to outline where their cockles will be cooked during the 2024 season, and then ask for evidence of this before the final marks are issued.

#### Recommendation

c) The application form will be updated to require applicants to outline where their cockles will be cooked during the 2024 season. Applicants will then be required to provide relevant information regarding their 2024 cooking activity after the end of the season and before the application panel meets. This information will then be used to inform the final marks of each application.

#### RECOMMENDATION

The Authority **AGREE** to the recommendations below:

- a) The Applications Panel will consist of five KEIFCA members and two independent panellists with relevant expertise or knowledge.
- b) The TECFO and KEIFCA Permit Cockle fishery approach (Option A), is the option selected to be used in the application form.
- c) The application form will be updated to require applicants to outline where their cockles will be cooked during the 2024 season. Applicants will then be required to provide relevant information regarding their 2024 cooking activity after the end of the season and before the application panel meets. This information will then be used to inform the final marks of each application.

# $\label{eq:Appendix 1 - Specific suggestions regarding the licence application and allocation process$

Suggestion form Consultation 3 replies	Officer comments
The application Panel will consist of 5 KEIFCA	
members and could include expert	Happy to add 2 independent people to the
independent input, I think it would be	panel as outlined in the suggestion, if this helps
advisable to have 2 independent people on	to reassure stakeholders that the application
the panel that have no connections with the	assessment process is undertaken fairly.
Industry, Local Authorities, or KEIFCA	
RECOMMENDATION	The application panel will consist of 5 IFCA
	members and 2 independent members
	The proposal is that applications that pass the
	first stage of evaluation, will be divided into
	separate questions, ranked, and then scored
	blind, without members knowing who the
	applicant is. Once each section is scored the full
	applications scores will be complied and
	moderated by the Applications Panel.
I'm not sure about the "scored Blind" idea. A	If the final scores are the same or close in the
person's good reputation or ability to lie	judgement of the Application Panel, for two or
through their teeth should be taken into	more applications and at the cut-off point
account.	where applicants would or would not receive a
	licence, the relevant applicants would be invited
	to a special meeting of the Applications Panel
	and asked to orally run through their
	application and answer questions on their
	application from the Panel.
	Throughout this process panel the KEIFCA clerk
	will ensure all applications are scrutinised fairly
	and appropriately.
RECOMMENDATION	No additional action is taken

# Appendix $2\,$ - Specific suggestions regarding the general structure and questions in the application form

Suggestion form Consultation 3 replies	Officer comments
Applicant information: The request for information about the immediate parent company and the ultimate parent company is inappropriate. It is clearly meant to clarify if an ultimate parent company is indirectly applying for more than one license. This situation has been going on for many years, with ultimate parent companies also being established outside of the UK. The licensee companies are British and subject to British law. This situation has meant that the Thames cockle has been massively present on the international market, where 90% of cockles are sold. Some of these companies originally relied on the UK wholesale market which couldn't support their supply. The Thames cockle industry has had to reinvent itself to be able to compete with other cockle producing areas, and this has been achieved largely thanks to the commitment of these ultimate parent companies overseas. Who is the ultimate parent company should not be a matter to consider when granting a fishing license; there is a mechanism for the intervention of the CMA if a situation of dominance by one or more companies is alleged.	The ultimate owner of a company is publicly available information held by Company's House.  If officers did not collect the information via the application form the information would be collected via Company's House.  This information is a standard question used in the Kent County Council tendering and licencing process.
RECOMMENDATION	Keep this question in the application form.  No additional action is taken

# Appendix 3 - Feedback on the detail and structure of the scoring mechanisms and allocation of marks within questions

Suggestion form Consultation 3 replies	Officer comments
Overall comments	
Obviously, the fishermen who have had a license in the regulating order should have a high % of points allocated owing to the fact they have made large investments over the years upgrading boats giving a much safer fleet in the industry.  I believe that if you are an existing Licence Holder you should receive extra points for this.	The application form has been constructed in a fair and balanced way, that captures the experience and investments made by applicants and judges applications on merit.
RECOMMENDATION	No additional action is taken

#### Experience

According to the draft marking scheme on Appendix 4 holding a TEFCO licence only scores in that category, both in options A and B. In other words, TEFCO licence holders are limited to their experience in that fishery. In both options the scores should be ADDED if an applicant has had a track record in more than one of the listed fisheries.

If this is not done, the score limit would be 100 for a TEFCO licensee who has fished for 8 consecutive seasons accumulating hundreds of landings, while a boat that has fished only a few times in the Open Area during the last 8 years (this fishery is open for a very limited period of landings per season) could have the same maximum score (100). Again, TEFCO licensees has to have the possibility to score more points for having fished in the other listed areas

Several current permit holders do not hold a TEFCO licence and have been excluded from the fishery for over 20 years as the Authority has not issued any additional licences. It would be unfair to judge their application on a criteria they have been excluded from. The scoring criteria within each of the bands, means that fishers with more experience can score higher. It is also worth noting that the current TECFO licence holders already get the maximum score.

#### RECOMMENDATION

Keep the scoring system the same. No additional action taken.

I also believe that its not right to use only the last 8 years track record. Many vessels have fished cockles in the Thames, in the inside and outside area fisheries such as myself, for the duration of the TEFCO order and even before. How can it be right to discard all those years of track record, how can a lifetime of commitment mean so little. The time scale should be from the start of the TEFCO fishery to present, or even going further back to before the TEFCO. This will be beneficial in giving the additional licence out to the best candidate. I would also like to point out that the outside area CFFPB fishery has been a failure for the last 8 years, producing disappointing and unregular fisheries. How can it be right to use this timescale, you must go back further to include times when both inside and outside fisheries were successful.

KEIFCA in developing this consultation members reviewed the proposal from the Boston Fishermen's Association that criteria should be based on a long track record of cockle fishing in the Thames and the Authority must go back to when the TECFO was being made to include fishers who did fish the TECFO before its introduction. In an effort to address this issue the Authority added the detailed experience criteria descriptors to into the scoring process.

# RECOMMENDATION

No additional action is taken

Over the last 28 years I have received letters from Kefica asking if I would like to apply and be considered for a licence each year to fish the Tecfo if additional licences were issued, surely all this track record effort and commitment cannot be lost on an individual.

The Authority has looked to capture evidence of fishers experience in the cockle fishery, in the application process. Whist many of the people who have written to the Authority and applied for a licence each year work in the cockle industry, some of the people do not have the experience, boats or equipment necessary to run a cockle boat successfully. Using the licence and permit track record as evidence shows a clear financial and practical commitment to the fishery.

#### **RECOMMENDATION**

No additional action is taken

# Supporting skilled local employment, apprenticeships or equivalent

Regarding the section for support of skilled local employment, the fisheries act 2020 states,

(7) The "equal access objective" is that the access of UK fishing boats to any area within British fishery limits is not affected by—(a)the location of the fishing boat's home port, or

(b) any other connection of the fishing boat, or any of its owners, to any place in the United Kingdom.

It cannot be justifiable to have criteria which hands individuals local to the area more points than individuals that are not local, who are all equally fishing for the same species in the same place. To favour people purely on locality is discrimination. Also, in the event an additional license was handed out, whoever is the beneficiary of the license be it a local boat or outside boat, they will support and contribute to the local economy. This is because the vessel will have to be based in the district to fish out of the local ports to be able to fish the cockle beds. Whilst based in the district the license holder will no doubt use local companies and services for engineering work, maintenance work etc. Also, there needs to be criteria that stops individuals that have held a company with a license in the past, and that have sold their company and license, from reapplying for another license. Any new licenses should go to genuine fishers who have not already had the chance to partake in the fishery and have not already had any financial gain from it.

I strongly disagree with, and the local employment section which could discriminate against fishers not local to the district unfairly

Members considered legal advice when agreeing the detail of Consultation 3 and are confident that the options proposed in this document are legally sound. Kent County Council ask applicants for similar information in their tender/ licence application processes.

#### **RECOMMENDATION**

No additional action is taken

# History of landing and cooking cockles caught from the Thames cockle fishery, within the KEIFCA district

The criterion is based on past events. The past is past and cannot be changed; an unfair advantage is being given to those who have cooked their cockles locally to the detriment of those who have not done it for many and varied reasons, as explained above, and who cannot do anything to improve their scores as structured the draft marking scheme. The difference between the same TEFCO licensees can be 80 points!, and it benefits only a few, to the detriment of the majority.

If the idea of scoring for what has been done in the past is nevertheless applied, the reference period should end in 2022. If this is not done, and as the score based on % of locally cooked fish is structured (Annex 4-Marking scheme-landing and cooking), the scoring scheme WOULD BE SIGNIFICANTLY AFFECTING THE 2023 AND 2024 SEASONS: companies that have not supplied local cookers (currently 11 vessels out of 14) might be forced to leave their customers and supply locally in order to score points in that last 2023 period.

Alternatively, if the 2023 period is also included, the scoring should be changed in terms of % of cockles cooked locally. It should be irrelevant in terms of scoring whether this last 2023 season was cooked locally; 40 points should be awarded only if the cockles caught by the applicant have been cooked locally to a greater percentage than 20%. Thus the year 2023 would be irrelevant (1 year over 6 is 16%)

#### **RECOMMENDATION**

To avoid this situation, cooking locally should be only taken into account IN THE BUSINESS PLAN, where applicants could decide whether it is in their interest to invest (or supply) locally in order to obtain a lasting licence for consecutive cycles. For example, those who already own a plant will indicate in their business plan that they will cook locally, and those who do not have a plant can establish what their plan is to follow in the first 7-year cycle, and be penalised in the next cycle if they do not comply with their plan.

#### **RECOMMENDATION**

The nature of using a track record means that you make decisions based on historic actions. The fisheries rights section of the Trade and Cooperation Agreement between the UK and the EU is a good example of this and uses a reference period between 2012 -16 before the referendum vote.

The approach used in the licence application looks to strike a balance between track record and future opportunity using 2 historic years and 2 future years.

We appreciate the feedback pointing out that the cooking reference period extends past the end of the application period (applicants would need to submit their applications before the 2024 cockle season starts). As the application scoring process does not conclude until the beginning of October (after the cockle season) are proposed solution is to require applicants to outline where there cockles will be cooked during the 2024 season in the application form and then ask for evidence of this before the final marks are issued.

The application form would be updated and to require applicants to outline where their cockles will be cooked during the 2024 season, and then ask for evidence of this before the final marks are issued.

The consultation has shown that cooking cockles in the district is a hotly debated issue, however replies have shown it is an issue in its own right and needs to be resolved as such.

The business plan is a separate application strand which focuses primarily on that actions the Authority will take over the next 7 years.

The business plan requirements remain as outlined in the consultation. No additional action is taken.