

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT

Seventh Delegated Legislation Committee

DRAFT FISHERIES ACT 2020 (SCHEME FOR  
FINANCIAL ASSISTANCE) (ENGLAND)  
REGULATIONS 2021

*Wednesday 14 July 2021*

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**The Committee consisted of the following Members:**

*Chair:* DEREK TWIGG

Bradshaw, Mr Ben ( <i>Exeter</i> ) (Lab)	† Mann, Scott ( <i>Lord Commissioner of Her Majesty's Treasury</i> )
Davies, David T. C. ( <i>Parliamentary Under-Secretary of State for Wales</i> )	† Morris, James ( <i>Lord Commissioner of Her Majesty's Treasury</i> )
Fletcher, Mark ( <i>Bolsover</i> ) (Con)	Osamor, Kate ( <i>Edmonton</i> ) (Lab/Co-op)
Freer, Mike ( <i>Comptroller of Her Majesty's Household</i> )	† Pollard, Luke ( <i>Plymouth, Sutton and Devonport</i> ) (Lab/Co-op)
† Glindon, Mary ( <i>North Tyneside</i> ) (Lab)	† Prentis, Victoria ( <i>Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs</i> )
Gwynne, Andrew ( <i>Denton and Reddish</i> ) (Lab)	† Sambrook, Gary ( <i>Birmingham, Northfield</i> ) (Con)
Harris, Rebecca ( <i>Lord Commissioner of Her Majesty's Treasury</i> )	Vaz, Valerie ( <i>Walsall South</i> ) (Lab)
Jones, Fay ( <i>Brecon and Radnorshire</i> ) (Con)	Ian Bradshaw, <i>Committee Clerk</i>
Jones, Mr Marcus ( <i>Vice-Chamberlain of Her Majesty's Household</i> )	† <b>attended the Committee</b>
Keeley, Barbara ( <i>Worsley and Eccles South</i> ) (Lab)	

# Seventh Delegated Legislation Committee

Wednesday 14 July 2021

[DEREK TWIGG *in the Chair*]

## Draft Fisheries Act 2020 (Scheme for Financial Assistance) (England) Regulations 2021

9.25 am

**The Chair:** Before we begin, I remind Members that we have moved to one-metre social distancing in general Committees, in line with the Chamber and Westminster Hall. Members should continue to sit only in the places that are clearly marked. I also remind Members that Mr Speaker has stated that masks should be worn in Committee. *Hansard* colleagues be most grateful if Members sent their speaking notes to [hansardnotes@parliament.uk](mailto:hansardnotes@parliament.uk).

9.26 am

**The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Victoria Prentis):** I beg to move,

That the Committee has considered the draft Fisheries Act 2020 (Scheme for Financial Assistance) (England) Regulations 2021.

The regulations were laid before the House on 15 June and will provide the long-term legal foundation for the payment of grants to the English seafood sector. They have been specifically designed to support the needs of the sector and give full control and accountability for the delivery of financial support. The Fisheries Act 2020 gives the UK full control of its fishing waters for the first time since 1973 and provides the legal framework for policies to be tailored to the needs of industry, while still protecting the marine environment. Now that we have left the European Union, this will ensure a more responsive and autonomous scheme that better supports our newly independent coastal status.

The regulations cover the payment of grants by the Marine Management Organisation to the seafood sector in England, and include the provisions and payment conditions that must be adhered to. One useful change that will be noted by certain members of the Committee is that recreational sea fishers will now be included. The instrument has been carefully developed to ensure that future grant schemes have the flexibility to meet new policies and the needs of the English seafood sector, as they change over time. The passing of this instrument will not make any significant policy changes to the scope of grant funding for the seafood sector, and will ensure that we are using regulations specifically designed to support the English seafood industry.

The fisheries and seafood scheme opened on 6 April 2021 to provide financial assistance to projects that enhance the marine environment and support sustainable growth in the catching, processing and aquaculture sectors. The scheme is currently operating under spending powers in the Natural Environment and Rural Communities Act 2006, which, unlike this SI, does not set specific conditions on activity restrictions. This SI will provide a more detailed framework for the scheme to operate within and give applicants and administrators more certainty about the legal status of the scheme.

The scheme will provide £6.1 million of funding in England for the current financial year. In the short term, that will help to provide stability and continuity to the industry by supporting businesses to take advantage of opportunities outside the EU. In the longer term, the scheme will drive meaningful change to increase sustainability, provide world-class fisheries management, and deliver a decarbonised sector and a thriving marine environment. The scheme has been very much improved by those who work in the fishing industry, with whom we have worked closely. The opening of the scheme has been welcomed and demand has been high.

These regulations expand previous domestic fisheries funding powers to ensure a more responsive scheme that better supports our seafood sector. This support is vital to deliver our vision for clean, healthy, productive and biologically diverse oceans and seas, and I commend this instrument to the Committee.

9.29 am

**Luke Pollard** (Plymouth, Sutton and Devonport) (Lab/Co-op): It is a pleasure to respond on behalf of the massed hordes of Labour MPs in this Committee today.

This is a really important SI. The Minister will know, because we were in the same debate on fisheries policy yesterday, just how betrayed and let down fishing feels because of the poor Brexit deal—the promises that were made and the breaking of those promises. That is why these types of SIs must be got right, and their implementation must be got right as well. We know that British fishing has been sold out by the Government. In the last few months we have seen our distant water fleet tied up, shellfish rotting at the ports, unable to be exported, and EU boats catching non-quota species basically unchecked, with no real time data-sharing arrangements in place due to a botched deal between the Government and the EU.

Fishing really is crying out for help, which is why it is important that this SI is adequate and properly resourced and, importantly, that the correct decisions are made as a result of it. We support a well-resourced and well-managed fund for the fishing industry to get the vital support it so desperately needs. We will not stand in the way of passing this instrument today, but I have some questions for the Minister that I hope she will be able to answer. The questions express not so much my personal concern, but the concerns of fishers whom we have spoken to in advance.

The instrument will give powers to the MMO to administer payments to fishers. For some fishers that is causing anxiety, and I will explain to the Minister why that is the case. It largely relates to concerns about the transparency and openness of decision-making processes that have been undertaken over the past year. The Minister and I probably share a desire for greater openness and transparency, and I hope that she will reflect that in discussions with the MMO when she looks at implementing the SI in due course. The SI will give the MMO more powers to set schemes, approve payments, and revoke, suspend or even reclaim money. That is all without a proper duty under the SI to convey the reasons to the applicants, let alone an open and transparent process or an independent appeals process.

The SI will hand powers to the MMO without any indication of how its decisions will be scrutinised, how fishers can appeal bad decisions or how the decision

makers will be held to account. Can the Minister outline what scrutiny will be in place for MMO decisions after an award of funding or a rejection of an application? Can she tell us what the appeals process will be for fishers if the MMO gets decisions wrong, or a decision has been taken on incorrect grounds?

We know all too well that things can go wrong when DEFRA throws cash into its menagerie of non-departmental public bodies. Last year's domestic seafood supply scheme handed out hundreds of thousands of pounds to companies, some of which had huge reserves, running into millions of pounds in some cases. The great concern is what will happen to our small-scale fishers. The Minister and I have had many debates, in this room and elsewhere, about the desire to focus on small-scale fishers. Labour's view is that our small fishers are the backbone of our fleet and deserve the lion's share of attention from Ministers. However, the funding has not always followed that in the past year. As the Minister said, the SI does not set out any significant changes in regulations or policy, but that is why fishers are concerned that it will reinforce the present situation, in which larger fishing businesses, including foreign-owned fishing businesses, receive the greater share and smaller fishing businesses, for whom support and intervention can have a more profound positive effect, will be overlooked.

Some fishers were concerned about the openness and transparency of the process in the past year, how decisions were taken, who sat on the panels taking the decisions, and what interests they took in with them. It is important that we have industry representatives assisting the MMO to make decisions, but there should be a focus on ensuring that those industry representatives are representative of the whole fishing sector—because as the Minister knows, there are dozens of different fishing industries, catching different species in different locations, with different gear set up very differently—and also on ensuring that there is always a voice for small fishers on decision-making panels. There should be a space reserved for them. The smaller fishers associations are not as well resourced as the larger ones, and I appreciate that availability may be an issue, but the Minister should task the MMO to ensure that, regardless of the issue being debated or the applicants, there is a seat for a small fisher to help to inform the decisions that are being taken.

Some fishers have told us about their concerns that some of the organisations that received money last time had connections, through membership bodies, to some of the people on the panel. I do not wish to suggest that any decisions were made improperly, but we must ensure that the sense is that all decisions are beyond reproach and are made wisely. We know, sadly, that some recipients of past funding were at risk of being struck off at Companies House for late filing. Some had not even set up their companies after the application was submitted, and some of the projects given funding had been planned before the pandemic hit. How does the Minister feel the decision-making processes have gone to date, and can any enhancements to scrutiny and openness be provided for with the additional powers in these regulations?

The Minister will know, because I mentioned it yesterday, that the Seafarers UK report, which is a good one, stated that most small-scale fishers have little or no savings or financial resilience, and that was before the start of the pandemic. That places a greater onus on decision makers to ensure faster processing and a greater

focus on applications from small-scale fishers, many of whom will not be able to access the professional bid writing support that is available to larger organisations. Making sure this works is really important. We need proper transparency in these decision-making processes and proper reporting.

Earlier I briefly mentioned the appeals process. I would be grateful if the Minister set out where in this SI there is scope for an appeals process. My understanding is that the only provision anywhere close to that is regulation 8, on decision and notification, which says:

“The Marine Management Organisation must...decide whether to approve an application unconditionally, to refuse or reject it” and to

“notify the applicant of the decision made under sub-paragraph (a).”

I want to see applicants notified of decisions, but I also want to understand what happens when decisions are wrong, or where a decision might have been made incorrectly, on the basis of a different interpretation of the evidence before the MMO. There does not seem to be any scope for appeals in the process. That does not sit right with me, and I hope it does not sit right with other members of the Committee, who I think would want to know that there can be an appeal in the event of a decision being made incorrectly.

That is especially important for small-scale fishers, who by and large do not specialise in bid writing and appeal writing. They are professional fishers; they are really good at that, but not necessarily at completing all the forms. Certainly, that is much of the feedback that I have had when speaking to fishers in Plymouth about this, so I would be grateful if the Minister set out what the appeals process is. If there is not an appeals process in the SI, could one be added subsequently, albeit on an informal basis, or brought back in a future SI? We certainly have a lot of them that could assist in updating this area.

I am grateful that the Minister set out in her opening remarks that there is support available for recreational fishers. The hon. Member for North Cornwall and I share much in common in our support for recreational fishing, which is a significant part of our fishing industry in the south-west. It has potential for huge growth if appropriate decisions are taken to provide support in catching species—the Minister will know that I am keen, as the hon. Gentleman is, to see a catch-and-release fishery for Atlantic bluefin tuna, rather than the catch-and-eat fishery, to preserve these amazing marine species—and also to ensure a focus on decarbonisation, not only of recreational fishing boats but of commercial fishing boats too.

The Minister mentioned in her remarks yesterday that there are three pillars in the new fisheries fund announced by the Prime Minister when the deal was announced just before Christmas. One pillar will be about environmental performance and sustainability. I would be grateful if she expanded ever so slightly on that, because there is a real opportunity to decarbonise, moving from the heavy, thirsty, diesel engines that we have in the fishing fleet, towards electric and hydrogen propulsion. If the Minister has any time over the summer, I hope she will head to Plymouth to see the world's first electric ferry, as a testbed for marinised battery technology, which can be scaled up to provide an alternative to many diesel engines. I would be grateful if she could again set out the three pillars for the sake of transparency.

[Luke Pollard]

Mr Twigg, you may know that I am not a fan of some of the wording of impact assessments, because I say it in every SI Committee—I hope the Minister will forgive me for having to hear it again. Page 3 of the explanatory memorandum says:

“There is no, or no significant, impact on business”

from this SI. First, those are two different things: either there is no impact or there is an impact. Secondly, if there is no impact on businesses, what is the point of this SI at all? The entire point of this statutory instrument is to provide financial assistance for fishing businesses, yet the Minister’s own impact assessment says there is “no, or no significant, impact on business”. Both of those cannot be right, so either we are wasting our time here today, passing legislation that will not have an impact to look busy, or the Minister has got the impact assessment wrong. I would be grateful if she set out which of those it is, because it cannot be both. There is either an impact or there is not. If there is not, we are all wasting our time and missing an opportunity to support our brilliant fishers around the coast.

I want to see proper support for our fishing industry and, as I made clear in the debate yesterday, a proper debate on the Floor of the House, when we come back after recess, to provide robust scrutiny ahead of any annual negotiations. I invite the Minister to look at whether fisheries support schemes need to be flexed in conjunction with the annual negotiations, because the annual negotiations will adjust the available quota for different species around the coast. That will have a knock-on and sometimes immediate effect on the financial viability of certain businesses, particularly if their quota goes down. Whether there is a moment to align some of the support mechanisms with the annual negotiations is the type of a constructive suggestion that Members on both sides of the House will be able to make in a beefed up annual fisheries debate on the Floor of the House. I hope that she will support that.

As it stands, we will not oppose the SI, but I have some questions, in particular about appeals and the impact assessment, that I hope the Minister will be able to answer.

9.41 am

**Victoria Prentis:** I must have been in a different debate yesterday. I heard concerns and difficulties that had arisen in these very difficult 18 months during the pandemic, when many of our markets have not been open to us in the fishing sector, but I also heard tales of hope and optimism about domestic sales, for example, which have gone up 11% in the last year, and hopes for the future from around the country.

I hope that the hon. Gentleman was not detailing improper behaviour in previous schemes. He was careful to say that he was not, but then he also referenced some instances that would have been less than perfect had they been completely accurate. If there are specific concerns about the operation of previous schemes, I very much want to know about them, please. I ask him to write to me very soon and I will take them up with the MMO.

**Luke Pollard** indicated assent.

**Victoria Prentis:** This is a new scheme; the appeals process, however, is being carried forward from previous schemes. I have been assured by the MMO that appeals will be dealt with separately from the original claim processes. If the hon. Gentleman wants to know more about it, probably the best thing that I can refer him to is the guidance on gov.uk relating to the scheme. I may also be able to set his mind at rest by explaining that the scheme will be delivered by the MMO. Applicants can apply using an online application system. There will be competitive funding routes delivered throughout the financial year, which ought to help on his annual negotiations point. That will enable us to flex the importance of certain policy areas.

We think that introducing a competitive approach to some of the funds will deliver value for money and implement the funding values outlined in the Cabinet Office guidance and Her Majesty’s Treasury’s managing public money principles, all of which have to be read together, to look at the background for the scheme. I reassure the hon. Gentleman that the scheme is available to applicants whose businesses, or vessels, are registered in England. Individuals can apply. Those who are engaged in commercial or recreational sea fishing, or agriculture or processing, can apply, as can a public body, university or research institute. Indeed, new entrants are very strongly encouraged to apply.

It may help if I give some examples of those to whom the fund has already been granted, because I think that will ease the hon. Gentleman’s concerns about the inshore fleet, which he speaks about very passionately. One example is deck improvements to reduce injuries at sea, which I know is dear to his heart. Some money was granted to improve crew health and safety, with non-slip decking, upgraded deck hatches and safety railings. Another grant was given to food hygiene standards premises for the purchase of lobster storage tanks, fridges and freezers, and a shellfish boiler, which will add significant value to catches and enable the fishermen to sell directly to the public. That is the sort of scheme that is currently being considered.

The hon. Gentleman referenced the £100 million investment that the Prime Minister announced. That funding is completely separate, and in addition, obviously. The £100 million scheme is being developed to complement other financial support available to the UK seafood sector. I gave some details yesterday on the three pillars. I reassure the Committee that further details on the £100 million fund will be made available very soon, certainly this summer. We will concentrate on the science and innovation pathway first.

This instrument will provide a long-term legal foundation to deliver the payment of grants to the English seafood sector. It has been specifically designed for that purpose and will ensure that we have full control and accountability of the fisheries and seafood scheme. I am pleased that it includes recreational fishing, and I look forward to continuing to work with members of the Committee on a catch-and-release scheme for bluefin tuna. The instrument is key to delivering the Government’s manifesto commitments and securing a thriving and sustainable marine environment. I commend the draft regulations to the Committee.

*Question put and agreed to.*

9.46 am

*Committee rose.*



