



Department
for Environment
Food & Rural Affairs

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Pollack compensation scheme

Dear Tamara

Thank you and the team for their advice on this matter, and you for your letter. I note that established process has been followed and that we are required under domestic and international law to follow the best available scientific advice when setting annual catch limits.

There is clearly established precedent that once a stock has reached zero-TAC status then there should not be a targeted fishery for that stock. I am grateful to the efforts of the negotiating team in securing a by-catch quota to enable other fishers in the South West to continue.

I have carefully considered the issues you have raised about my proposal to create a pollack compensation scheme.

I am pleased that we have expedited Fisheries and Seafood Scheme (FaSS) applications from those most affected and developed a scientific study in which certain boats may take part. However, I do not believe that these go far enough.

I believe that a sector with a limited ability to diversify would be one where compensation would be most justified. I believe this is the case in this instance.

Firstly, from discussions with industry and the members of parliament for the affected area, there was an expectation of a reduction in quota, as had happened in previous years, but not a move to zero in one move. Confirming a move to zero in December gave less than a month for any mitigation.

Secondly, many of the smaller inshore boats that target pollack are not equipped to go further and longer out to sea in search of other species. As such they would need significantly more time and support to diversify. There are also benefits to retaining boats potentially targeting pollack for the future as otherwise we may see them displacing other vessels who currently catch those fish, so we just have a knock on effect of displacement. What is needed is to give the boats and industry time to adjust to the immediate loss of quota so we do not lose these vessels permanently from the industry.

As such, it's my overall judgement that, notwithstanding your consideration of the accounting officer tests, the combination of the specific economic circumstances in the area concerned combined with the change this year for the first time to a zero-TAC stock for pollack in area 7, uniquely, warrant government action in the form of compensation in this instance.

The compensation should be paid to all fishers, regardless of vessel size, fishing gear used or active status, who were reliant on pollack for more than 30% of their income last year, but that compensation should be set at 50% of their pollack derived incomes. This particular scheme design is intended to minimise any repercussive elements and reduce the risk of setting a precedent. Improvement in communications around the management of stocks in future, to prevent the industry being caught by surprise, as in this case, can further mitigate this. DEFRA needs to learn lessons from this case so that earlier effective notice can be given.

This letter provides a Ministerial Direction to formally direct you as Accounting Officer to create and administer a pollack compensation scheme.

I note your letter and this reply will be published in due course.

In line with the usual process for ministerial directions, I am copying this letter to the Comptroller and Auditor General, the clerk to the Public Accounts Committee and the Treasury Officer of Accounts. I am also copying it to the Environment, Food and Rural Affairs Committee.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read 'Steve Barclay', is centered below the text 'Yours Sincerely,'.

Rt Hon Steve Barclay MP