

MCA Board Meeting – Agenda Item 3
Chief Executive Report July 2020

From: Brian Johnson

Date: 23 July 2020

Summary

This report provides the MCA Board with a summary of significant developments since its last meeting in June.

Commentary

1. There were no reportable accidents in the month. Traffic accidents amongst the Coastal Rescue Teams have continued at unacceptable levels, though 90% of these happened at speeds <10mph. Claire will give a separate update. Recruitment to the new safety manager role has now begun and will create the capability to begin work on behavioural safety.

2. Migrants crossing the channel have dramatically increased in numbers – often more than 100 in a day. The Border Force and Royal Navy are now looking at interventions and the Coastguard are involved in these discussions. Whilst it is for the Border Force to decide whether there are grounds for an intervention outside the provisions of SOLAS (saving of lives at sea) convention, we are supporting with information and aerial capability. The key parameters for any solution from a Coastguard perspective are:

- If Border Force decide that they are going to intercept a migrant boat outside SOLAS, there must be a clear and formal handover process.
- The Coastguard will coordinate search and rescue, not interception.
- The RNLI cannot be tasked for anything outside saving of lives.

The solution remains very unclear and it should be noted that, were the 3 Border Force cutters to focus only on interception outside SOLAS, there is not the lifeboat capacity to deal with the numbers of migrants crossing the channel.

3. A service agreement between the MCA and RNLI relating to the lifeboat service and its tasking is now drafted and we hope to get signed up over the next month. This will be the first such agreement and is part of the actions taken to address the areas of the interface between the 2 organisations where lack of clarity created issues during the rapidly changing environment created by COVID.

4. The RNLI met its plan of getting lifeguard teams on ~170 beaches by 4th July. In a more normal year, they would cover ~240 beaches. The MCA has developed an approach of having helicopter assets proactively in the air during busy periods and during the weekend of 18/19 July, this led to an overturned boat being spotted and 3 people saved.

5. The responsibilities for beaches, as discussed at the Board last month, are very unclear and a cross department group has been convened by Cabinet Office involving DEFRA, Home Office, Ministry of Housing, Communities and Local Government and DfT to explore this. A report was commissioned early last year by the MCA on behalf of the National Water Safety Forum as a result of the Camber

Sands tragedy. This highlights the complexity of the situation – even the complexity of defining what a beach is. With attention now turning to life beyond COVID, this report has now been submitted to the Minister with a recommendation that a broad consultation on possible solutions is carried out. The independent author of the report recommends that landowners of beaches should be legally obliged to carry out risk assessments. It is likely that this situation will remain very confused for quite some time into the future. Lifeguarding is something that the MCA has not been at all involved in up to this point and, in reality, has few or none of the levers to influence. It is clear though that the RNLI trustees are going to review how they approach their involvement in lifeguarding from next year onwards and we suspect that it will be a highly cautious approach that is strongly shaped by their lawyers. Combined with the rather fuzzy accountabilities of beach land-owners that currently exist, this has the potential to create a very messy situation next year. We will come back to the Board at the end of the summer with any specific learning for the MCA from this season and with an update on how the broader situation is evolving.

7. As the Board was informed last month, the Cornwall coroner has sought input from the MCA regarding 2 deaths, one of which was close to a beach that would normally be lifeguarded.

8. Organisation development in the Coastguard has continued at pace. The Team Leader structure is embedded, the leadership development programme has started, talent development has begun, technical training review completed and a consultation on the future of uniforms completed.

Public Interest/Operational Sensitivity

10. Civil contingency training and exercising is re-commencing and the COVID crisis has helped the Coastguard to become properly embedded within the Local Resilience Forums. The Civil Contingency risk has been taken off the corporate risk register.

11. The Emergency Towing Vessel review is now with the Minister for consideration.

12. The contracts that enable access to a second oil spill response aircraft with 2Excel and OSRL (Oil Spill Response Limited) are now signed after some challenges along the way. This both enhances the resources that the MCA has access to and creates the future possibility of the MCA accessing shared resource for oil spill spray and mechanical collection instead of paying for dedicated resource.

13. As discussed last month, an oil spill study is now completed which quantifies the frequency and size of oil spills (UK, Europe and globally) and identifies the high operations and areas. There now follows some difficult work in judging the range of responses that the MCA should prepare itself to deal with. Current requirements were set many decades ago and many factors have changed very substantially:

- All tankers are double hulled
- Inspection regimes are very much tighter
- Vessel traffic management schemes are in place
- Aids to navigation are very much improved
- There is greater public sensitivity to smaller spills
- Ship to ship transfers may represent significant proportion of the risk
- The oil production sector in the UK is of a very different shape

Once completed, in the Autumn, recommendations and the rationale for them will be brought to the Board.

14. The Radio Network Replacement Programme is at last approved and the successful bidders announced without challenge.

15. Market engagement on the next iteration of airborne search and rescue (SARH2G) has been surprisingly positive – recent questionnaires released to the market have produced a much bigger response than had been anticipated. Negotiations with Bristows on the how the bases are wrapped into this process have been successful and ensure a more level playing field for this procurement process. A steering Board is now established.

16. Board members may have seen photos of Bristows' large trial drone (rotary wing) in action in Coastguard livery. The Elbit fixed wing drone trials have had to go back a month because of COVID but start later in the summer.

17. The UK Flag came top of the Paris White List – a league table which ranks the quality of ships on each flag (and by implication the survey and flag regimes) based on Port State Inspections. This is the first time that the UK has achieved this and is another demonstration for the solidity of the UK Flag.

18. The Flag re-launch is being planned for September and will build on the substance of UK capability and support that has been demonstrated during lockdown.

19. The final presentation to the Minister on using the UK Flag and Tonnage Tax to stimulate the maritime services sector is being worked on with Ernst and Young. It is intended to present this to the Minister when she returns from her holidays in late August.

20. The back office interface of the computerised ship register has been working for some time now. Full rollout of the public facing interface has been delayed until end August because of some data quality issues which are in the process of being resolved. The back office tool has automated the operation for the register and

discussions have now commenced with the trade unions on the future manning of the Cardiff Office.

21. The full implementation of Marine Accident Investigation Branch (MAIB) recommendations continues to be held up by the central government approvals process. The Grandfathering Statutory Instrument has had to go back to the write round stage because of the time that has elapsed since the General Election stopped its progression in October/November. This is now back with the Minister. Similarly, consultation on fishing boat guidance which will address a number of MAIB recommendations has just got approval to proceed. We still expect the end of year target to be met but not the stretch target of this summer.

22. The survey teams are now back to business as usual albeit from home bases rather than the marine offices. As expected, there has not been a huge demand for surveys and some focus is being placed on dealing with a backlog of seafarer/engineer examinations.

23. The detention of several CMV cruise ships was reported to the Board last month. The MCA and DfT worked through a series of resultant crew repatriation issues over the last month. As was feared, CMV announced that it was going into administration on 20 July. This leaves ships stranded in ports with their remaining crews. The Bahamian and Portuguese Flags have so far proved to be unresponsive and it is expected that clearing up the issues caused by this situation will take up substantial time over the next month.

24. A fishing vessel was detained in Scotland for breaches of labour conventions – we believe that this is the first time that this has happened since the introduction of ILO188 2 and a half years ago.

25. Work to pull together the Maritime Policy Coalition with DNV GL and Lloyds continues to gather momentum with positive responses from all 4 classifications societies and associated flags. I hope that we might have the coalition fully formed by end September.

26. The creation of an IT team better able to support the full needs of the MCA is now 87% complete, though the 2 key senior roles of operational and project delivery remain to be filled. Both are currently covered by interim managers.

27. The Executive team has some concerns about the IT project density associated with the Blue Light systems and the operational risk which this might expose us to. **Name** Claire and **Name** are reviewing the situation to determine whether more phasing of this work might be required.

28. Other IT project work is stretched, but the performance pack shows good progress. IT contract renewals are now under much better control with re-procurement work anticipated before existing contracts expire although timings are tight in some cases.

29. The Coastguard currently has no black, Asian and minority ethnic (BAME) employees – a position that is clearly unacceptable and indefensible. In addition to some external support that is being procured to advise us on how best to access,

attract and retain candidates, Claire has taken positive steps to ensure a more diversity friendly approach to recruitment. It is hoped that this will also help to balance entry level gender. Staff from BAME backgrounds in other parts of the Agency are setting up a new Positive Support Network which will give us real insight to their experience and improvements we could implement

30. As will be seen from the finance report, providing FCO and DfT deliver on commitments to fund specific pieces of overseas territories IIC-related work and EU Exit work respectively which they made at the start of the year, the forecast is that “project spend” will be overspent by £630k and “admin spend” underspent by £770k. As explained in [Name] report circulated to the Board outside the Board papers, both are accounted for separately. Given the track record of pessimistic cost forecasting, at this stage, we are not proposing to adjust our spend trajectory.

31. A spending review is coming but seems to be emerging in a rather chaotic way with a series of disconnected requests coming from different parts of the civil service. The parameters of the spending review remain unclear and the messages that might give clues to this are mixed. We are constructing our MCA story and a forward financial picture relating to this in preparation for the spending review. It may prove necessary to pull the Board together to review this before the next formal meeting in September.

32. There was an unexpected and unwelcome announcement from the number 10 team that they intended to centralise the employment contracts of all government communications resource – presumably so that messaging can be tightly controlled. The manner of the announcement and subsequent information to clarify intent has heightened rather than allayed concerns. The MCA team, in reality, spend 80% of their time providing a proactive water safety service on behalf of the Coastguard and a marketing service for the UK Flag. Reactive press work is most often with local papers. It is hard to see the proposed move as having anything but an adverse effect on what is now a high performing team. We will be making a strong case for exclusion from this proposed change.

33. The innovation team now has the various team members who have been recruited arriving in post. [Name] performance report sets out the detail of what has been achieved over the last month. Involvement in research relating to both decarbonisation and autonomy continues to accelerate. Tight contact is being maintained with the DfT team to ensure that work is complimentary.