

For The MCA Board October 2021 Meeting – Agenda Item 09
Response to the DfT Review of the MCA Recommendations

From: Name

Date: 4 October 2021

Summary

1. Initial MCA responses to the Recommendations from the DfT Review of the MCA (formerly known as a “Tailored Review”).

Recommendation

2. That the MCA Board discusses, agrees or amends the proposed initial responses to the recommendations as set out below.

Background

3. The Tailored Review started in the Summer of 2018. It is now just called the DfT Review of the MCA. The full report will be made available soon. Its recommendations are in the Board pack. A further review led by the Cabinet Office will take place later this year or early 2022; it will use our responses to these recommendations as a starting point.

Proposed Initial Responses

4. We will want to look again at the recommendations once we have the full report to hand – that will help us understand the context against which the Review Team developed their proposals. Our response to the recommendations will be an opportunity to highlight any changes or developments in the MCA since the recommendations were proposed. Purely on the basis of the recommendations, the MCA Board is invited to consider the following initial responses:

- We should **welcome recommendation 1** that the MCA’s role and purpose remain necessary for government, and we should remain as an Executive Agency.
- **Recommendation 2** calls on the MCA to develop its capacity to exploit commercial income opportunities. This recommendation reflects a strand of activity in mid to late 2018. When Brian Johnson joined the Agency in October 2018, he recognised that the commercial income potential was limited, and it would require the deployment of significant resources to tap into this. We therefore propose rejecting the notion of the Agency being charged with seeking commercial income and instead emphasise the work we are doing for the wider benefit of the UK maritime economy. Our work on reforms to Tonnage Tax, modernising seafarer training, driving and shaping thought leadership around decarbonisation and new technologies, and the launch of the UK Shipping Concierge Service are examples of ways in which we can demonstrate real and potential significant returns on the investment of our resources.

- We can provide a positive response to **Recommendation 3** around our representation at the IMO given the official appointment letter that Katy Ware holds from the Foreign Secretary. We can also flag that Ministers are always invited to agree our proposed approach to the IMO's major decision-making bodies and that there are clear and established arrangements for consulting with other government departments about matters that have a wider impact across the machinery of Government. We should certainly welcome and stand ready to work with DfT colleagues on their proposed development of a forward-looking international maritime strategy and the proposed review of the roles of International Policy Teams to avoid any duplication of effort.
- Similarly, we should welcome the regular Relationship Health Check in **Recommendation 4**, recognising that Brian Johnson and Petra Wilkinson have regular discussions about priorities. In practice, this is about personal relationships rather than anything too formal.
- We support the call in **Recommendation 5** to update the MCA Framework Document and that work is underway. Ministerial submissions prepared by the MCA are subject to DfT comment and clearance before they get into a Red Box. Our response can highlight the good working relationships we have fostered in the past few years.
- We are tackling **Recommendation 6** about a more comparable number of Non-Executive to Executive members of the MCA Board. Some members of the Executive Team no longer attend the MCA Board and there are plans to increase our Non-Executive cadre to four in addition to the Non-Executive Chair. We are using the facility provided by the Diligent platform to conduct an annual Board Effectiveness self-assessment. The Chair will also evaluate the Board's performance and the contributions of its individual members. We support the proposal to update the Terms of Reference.
- We can easily include an assessment of Board effectiveness in the Governance Statement published in our next Annual Report & Accounts.
- Our DfT Sponsor would be welcome to take a seat at our Audit & Risk Assurance Committee as proposed in **Recommendation 7**.
- In response to **Recommendation 8**, we can simply differentiate in the annual Business Plan between key performance indicators that are externally-facing or are relevant to the internal running of the Agency.
- We have a good story to tell about how we have built excellent and strengthened relationships with the RNLI as described in **Recommendation 9**. That is true strategically, at the operational level in terms of emergency responses, and with our combined and coordinated safety campaigns and communications.

- We look forward to a new Shared Services platform under **Recommendation 10** that genuinely works for the MCA and delivers real staffing efficiencies.
- In response to the various proposals in **Recommendation 11** about diversity and inclusion, we can explain how we have codified our behavioural expectations through the MCA Way, with an emphasis on inclusion and respect, and encouragement to speak up and call out inappropriate behaviours. The MCA Way was developed with the support of our staff networks, and we will continue to develop those to add real value to the Agency. Our response should also set out that over time we have seen fewer reports of bullying and harassment in the annual People Survey and where we have identified unacceptable behaviours, we have taken swift action to suspend, investigate and dismiss people. We are working with EA Inclusion to improve our approach to recruitment to tap into new talent pools and make us more attractive to a more diverse audience. We can also explain that we are investing in training at least three staff as Master Practitioners in Diversity & Inclusion.

Conclusion

5. Our response to the recommendations is an opportunity to demonstrate the improvements we have already made to the Agency and our willingness to be open to change. If the MCA Board supports the tone of these proposed initial responses, we will firm them up into something that can be published alongside the recommendations, subject to a final review when we see the full report.