



Maritime &  
Coastguard  
Agency

# A Consultation on Changes to MCA Survey and Inspection Marine Office Locations

22 March 2016 – 21 April 2016



Safer Lives

Safer Ships

Cleaner Seas

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## Chief Executive's Foreword

The Maritime and Coastguard Agency (MCA) is constantly looking for ways to do better in delivering our services, and we have now developed proposals to modernise and improve our marine survey and inspection activities.

The MCA's vision is to be the best maritime safety organisation in the world, driving progress towards safer lives, safer ships, and cleaner seas. The work carried out by our survey and inspection staff is critical to supporting that vision, and we have been concerned for some time that the current model has been under considerable pressure.

The Maritime Growth Study published in September 2015 made a series of recommendations about how the MCA could play a stronger role in supporting a vibrant maritime sector and the associated marine industries. In order to provide a strong foundation for the future, we have developed alongside these wider proposals a programme specifically to improve the efficiency and effectiveness of our survey and inspection services to all our customers, including our domestic and international fleets, across ships and vessels of all types.

The core of this programme is the delivery of a better service to customers principally through improvements in our internal standards, procedures, systems and processes with a fully resourced and enthused surveyor workforce. Some changes may however affect the way customers have been used to interfacing

with our survey and inspection teams. This consultation covers how we propose to restructure our Marine Office estate from which our survey and inspection teams operate in support of the shipping industry. It also sets out new ways of working and communicating that will enable surveyors to better respond to and engage with the needs of our customers.

The other elements to the transformation programme, including revised terms and conditions and reward packages for our marine surveyors to support more flexible working will quite rightly be for negotiation with our Trades Unions and are separate from this consultation.

We want to provide a better service in meeting our customers' expectations, whilst operating efficiently and regulating in a way that is both effective and supportive to our industry. Your response to this consultation will help us to design improved ways of working so we can play our full part in growing the UK economy, as well as supporting our vision and the goal of safer lives, safer ships and cleaner seas.

I look forward very much to receiving your contributions.



Sir Alan Massey KCB, CBE  
Chief Executive,  
Maritime and Coastguard Agency

# Consultation Questions

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## Question 1

To what extent do you need to have direct access to a Marine Office; for what activities; and how frequently?

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## Question 2

What alternative estate laydowns within the UK would, in your view, enable the MCA to deliver more efficient services to customers?

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## Question 3

What technology-based channels should be made available to enable you to conduct your business more effectively with the MCA?

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## Question 4

What alternative working practices do you believe could be adopted by the MCA to improve our support to the industry whilst meeting our statutory and regulatory obligations?

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## Question 5

Do you have any further proposals for enhancing the MCA's support to the shipping industry and the attractiveness of the UK Ship Register for ship owners and operators?

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# 1. Consultation Process

## 1.1 Accessing the Consultation Document

1.1.2 The consultation document and any supporting information will be available on the Government's website at:

<http://www.gov.uk/mca#consultations>

1.1.3 If you require the document in an alternative format, including Welsh, these can be requested by:

Email: [sitpconsultation@mcga.gov.uk](mailto:sitpconsultation@mcga.gov.uk)

Letter: S&I Transformation Programme,  
Maritime and Coastguard Agency,  
Bay 3/09 Spring Place,  
105 Commercial Road,  
Southampton SO15 1EG

1.1.4 If you would like a paper copy of this consultation document, it can be requested by:

Email: [mca@ecgroup.co.uk](mailto:mca@ecgroup.co.uk)

Letter: at the above address

Phone: 0845 6032431

1.1.5 Please quote the reference **MCA/246** in any request for a paper copy.

## 1.2 What is Included within this consultation?

1.2.1 This consultation covers two of the elements included within the S&I business case developed by the MCA; proposed changes to the estate laydown of Marine Offices and ways of working in support of customers.

1.2.2 Comments regarding aspects not specifically included in this consultation will be noted but will not be taken forward by the S&I Programme.

## 1.3 Who is this for?

1.3.1 It is important that we understand any potential impacts our proposals may have on our customers. This consultation is therefore aimed at customers, including the shipping and fishing industries, seafarers and the wider maritime sector. A separate internal consultation on the estate but also including the organisational structure will be taken forward to seek the views of MCA employees affected by the proposals.

1.3.2 This consultation will begin on 22 March 2016 and run until midday (12:00) on 21 April 2016. Please ensure that your response reaches us before the closing date and time. Responses received after the closing date and time will not be considered.

## 2. Introduction

### 2.1 Context

- 2.1.1 As an Island nation, the UK relies on shipping for 95% of its visible trade by weight and the maritime industry directly contributes at least £11bn to the UK economy (GVA). Maritime industries are expected to grow significantly in the next decade and, if the UK is to compete, it must have a strong and effective survey and inspection regime capable of ensuring the safety of the industry while delivering commercially attuned support. This view is shared by industry and expressed in the reports of two recent assessments: the Maritime Growth Study<sup>1</sup> (MGS) and the UK Ship Register (UKSR) Advisory Panel<sup>2</sup>.
- 2.1.2 Survey and Inspection (S&I) is at the heart of the Government's responsibilities as a Flag and Port State, within the meaning of the international law of the sea<sup>3</sup>. The safety of shipping, ports and the marine environment is dependent on effectual, proportionate regulation, robust technical standards and the efficient, comprehensive oversight and inspection of compliance within national and international merchant shipping and fishing fleets. Effective S&I is key to that compliance and must be robust if it is to support the growth in the maritime sector envisaged by the MGS. Shipping and the marine environment carry high risks; any failure of governance and inspection could – and does – result in serious accident<sup>4</sup> or substantial infraction penalty, with damaging consequences for Government and the public.
- 2.1.3 The MCA has, for many years, enjoyed an international reputation for excellence in its survey and inspection activities. Both the MGS and the UK Ship Register (UKSR) Advisory Panel recognised the important role of the MCA in regulating and supporting shipping. In its report, the MGS states: *"The MCA has a number of important regulatory functions and an excellent reputation internationally for quality and safety"*.
- 2.1.4 Set against the desire to build on the economic strength of the UK's maritime sector, grow the UK-flagged merchant fleet and uphold the UK as an exemplary contributor to the work of the UN's IMO, the MCA has developed a number of proposals to transform the S&I business.

1 Maritime Growth Study report, Sep 2015, commissioned by HMG, in 2014 and led by Lord Mountevans. A comprehensive study of all areas of the UK maritime sector, in response to the UK's decreasing share of the world fleet.

2 UKSR Advisory Panel Report: Review of the UK Ship Register and Recommendations for Future Improvements, June 2015. An industry group chaired by Robin Mortimer, CEO, and Port of London Authority (PLA), commissioned to assess the performance of the UK Ship Register (UKSR) relative to other flags and consider what may enable it to become more internationally competitive.

3 The United Nations Convention on the Law of the Sea.

4 For example, MV Sewol (sank in Korea, 2014, 304 deaths), Lamma IV Ferry (collision in Hong Kong, 2012, 39 deaths), Herald of Free Enterprise (capsized in English Channel, 1987, 193 deaths).

- 2.1.5 These proposals are designed to create a platform for the MCA to be able to deliver a strong and effective service to its customers going forward and provide the platform for the growth targets within the maritime sector identified.
- 2.1.6 The S&I Transformation Programme (S&ITP), when fully implemented, will result in a greatly improved S&I function, properly matched to the foreseeable shape and demand of the UK and international shipping industry. Based around a high quality, efficient and sustainable surveyor workforce, it will be adaptable and flexible to ensure MCA is able to meet the demands for growing the maritime industry and boosting the UK economy.
- 2.1.7 This Programme is a major change project that will deliver defined benefits of its own. At the same time, it will be implemented in full recognition of other parallel initiatives, including the recommendations of the 2015 Maritime Growth Study and, in particular, the establishment of the UK Ship Register as a separate entity within the MCA.

## 2.2 Background

- 2.2.1 The Government is committed to delivering its functions and services in a cost effective and efficient manner.
- 2.2.2 Several years ago the MCA's ability to maintain its levels of service began to deteriorate<sup>5</sup> primarily as a result of difficulties of recruiting and retaining surveyors in a highly competitive market. This trend has accelerated recently and in late 2014 the S&ITP was initiated to recommend the changes needed to arrest the decline in capability and design a new operating model for current and foreseeable circumstances.
- 2.2.3 During 2015 various options for how to change the business were considered and a business case developed and put forward to transform the S&I operation.
- 2.2.4 In parallel, we took steps to split the UK Ship Register (UKSR) away from the regulatory and safety management activities of the MCA, in order to present a more responsive and attractive offer to ship owners; recruited a new Director for the UKSR; and are currently reviewing the Agency's status and governance with a view to becoming more competitive with other, commercially agile ship registers and service providers to the industry.
- 2.2.5 Following internal approvals MCA are now publicly consulting on some aspects of these proposals, specifically the location of our Marine Offices and new ways of working to support our customers. A separate internal consultation with staff and negotiations with trades unions will also take place.
- 2.2.6 This document describes those proposed changes. These proposals remain just that, pending the outcome of this consultation and internal consultation with affected staff.
- 2.2.7 The proposed changes will enable the MCA to deliver services to customers that better meet their business needs whilst also fulfilling the MCA's role as a non-statutory regulator on behalf of the Secretary of State. The changes will make the MCA more flexible and responsive, in support of both our customers and the wider interests of the UK's maritime economy.

5 NAO, 2009, 'The Maritime and Coastguard Agency's response to growth in the UK merchant fleet report' identified that demand for well qualified surveyors was growing "... and increasingly MCA is carrying vacancies for marine surveyors. The pool from which it recruits is diminishing and there is increasing competition for suitably skilled candidates".

## 3. Proposals

### 3.1 Summary

3.1.1 This consultation covers proposals to modify the locations of the MCA's UK estate laydown, reducing the number of Marine Offices from 14 to 10. It also addresses some proposed changes to MCA working practices that will improve our services to customers.

### 3.2 Office Estate

3.2.1 The Government is committed to ensuring effective use of taxpayers' money and this includes the efficient use of its estate<sup>6</sup>.

3.2.2 The MCA currently operates from 14 Marine Offices<sup>7</sup> across the UK: Southampton, Dover, Orpington, Harwich, Norwich, Beverley, Tyne, Liverpool, Plymouth and Falmouth in England; Cardiff (including Milford Haven) in Wales; Glasgow and Aberdeen in Scotland; and Bangor in Northern Ireland. Their location largely reflects the historical centres of maritime activity and does not always reflect changes since they were first established. They cost some £1.2m to run a year (excluding staff costs).

3.2.3 Marine Offices are used for a variety of functions which vary by location. In addition to internal MCA functions such as booking and administering surveys and inspections, management oversight and supervision, training, quality assurance, storage and maintenance of specialist equipment, and team interaction and cohesion, the offices support delivery of the following customer-facing activities:

- providing a point of contact for communications, advice and complaints
- customer service and support
- facilities for interacting with customers and agents
- professional oral examinations
- eyesight testing
- payment options for survey and inspection fees
- managing and issuing seafarers' documentation

<sup>6</sup> Government Estate Strategy, 2014: <https://www.gov.uk/government/publications/governments-estate-strategy-2014>

<sup>7</sup> Since the transformation programme began (from a baseline of 17 offices), we have already taken the initiative to close the small Marine Offices in Newlyn, Brixham and Leith.

- 3.2.4 The customers that use Marine Offices also vary by location, including individual seafarers, fishing boat and small passenger vessel owners and operators, up to large shipping companies. These owners, operators and seafarers will typically have personal contact with MCA survey and inspection personnel based in these offices, either on board their own vessels in the course of inspections or surveys; by phone or email; or by visiting the offices for a range of different purposes.

Question 1

To what extent do you need to have direct access to a Marine Office; for what activities; and how frequently?

- 3.2.5 The work carried out in the Marine Offices has been analysed together with other relevant factors, such as the Government's Estate strategy, and costs. This analysis was carried out from several perspectives, including:
- consideration of where geographically the work was undertaken, and the Marine Office to which the activity was allocated
  - the number of separate activities and the time taken
  - the need for a UK-wide network of offices, including the desirability of offices in each of the UK's Devolved Administrations
- 3.2.6 Every proposed Marine Office location was also assessed with regard to its cost, and whether it was already within, or could be relocated within, other MCA or wider Government estate.
- 3.2.7 The analysis identified some significant differences between the offices in terms of workloads and operating costs, and these differences helped inform the proposed reconfiguration of our Marine Office estate.
- 3.2.8 A number of options were considered for the required number of Marine Offices, ranging from the starting position of 17 offices (of which three have already been vacated) to a single, central office.
- 3.2.9 The preferred proposal is to reduce to 10 offices from the 14 currently in operation. This would involve vacating six existing offices, retaining eight and moving into two offices in new locations. The proposed 10 Marine Office locations are shown in Figure 1.
- 3.2.10 The proposed laydown maintains a comprehensive UK-wide Marine Office network. By pursuing options that favour co-location, the laydown would reduce the MCA's footprint per person and realise annual savings of some £400k. Under the proposed arrangements, offices would have better balanced workloads and a strategically coherent geographical footprint around the UK: see Figure 2 and Figure 3.
- 3.2.11 Table 1 represents indicative timescales for the proposed closure of Marine Offices, which aligns to leases or contracts.



Figure 1: Proposed Locations for Marine Offices

	Year 1 2016	Year 2 2017	Year 3 2018	Year 4 2019	Year 5 2020
Closure of Marine Offices		Tyne Plymouth	Orpington Beverley Harwich	Norwich	

Table 1: Proposed Transition of Marine Offices

**Question 2**

What alternative estate laydowns within the UK would, in your view, enable the MCA to deliver more efficient services to customers?

3.2.12 It is important that the MCA should continue to provide strong – and indeed improved – customer support. We believe that the proposed estate laydown, coupled with a more efficiently structured organisation and modern working practices, will give customers a more responsive and effective MCA service.

3.2.13 Where customers are affected by the closure of a local office, we propose to put in place a remote, IT-enabled working regime to minimise any adverse impact. This would be based around our surveyors working remotely, from other suitable MCA or Government locations or from home.

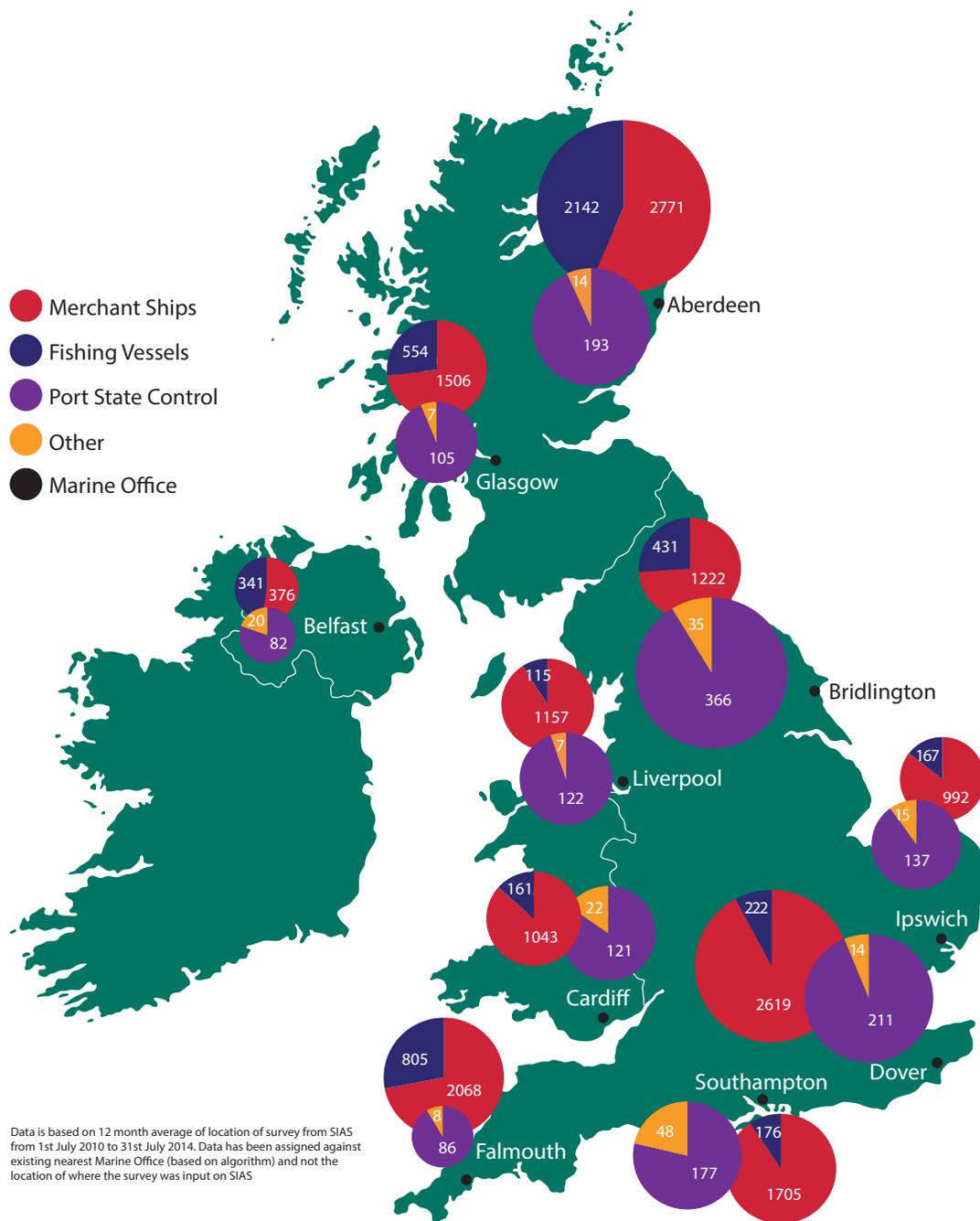


Figure 2: Marine Offices Average 12 Months Numbers

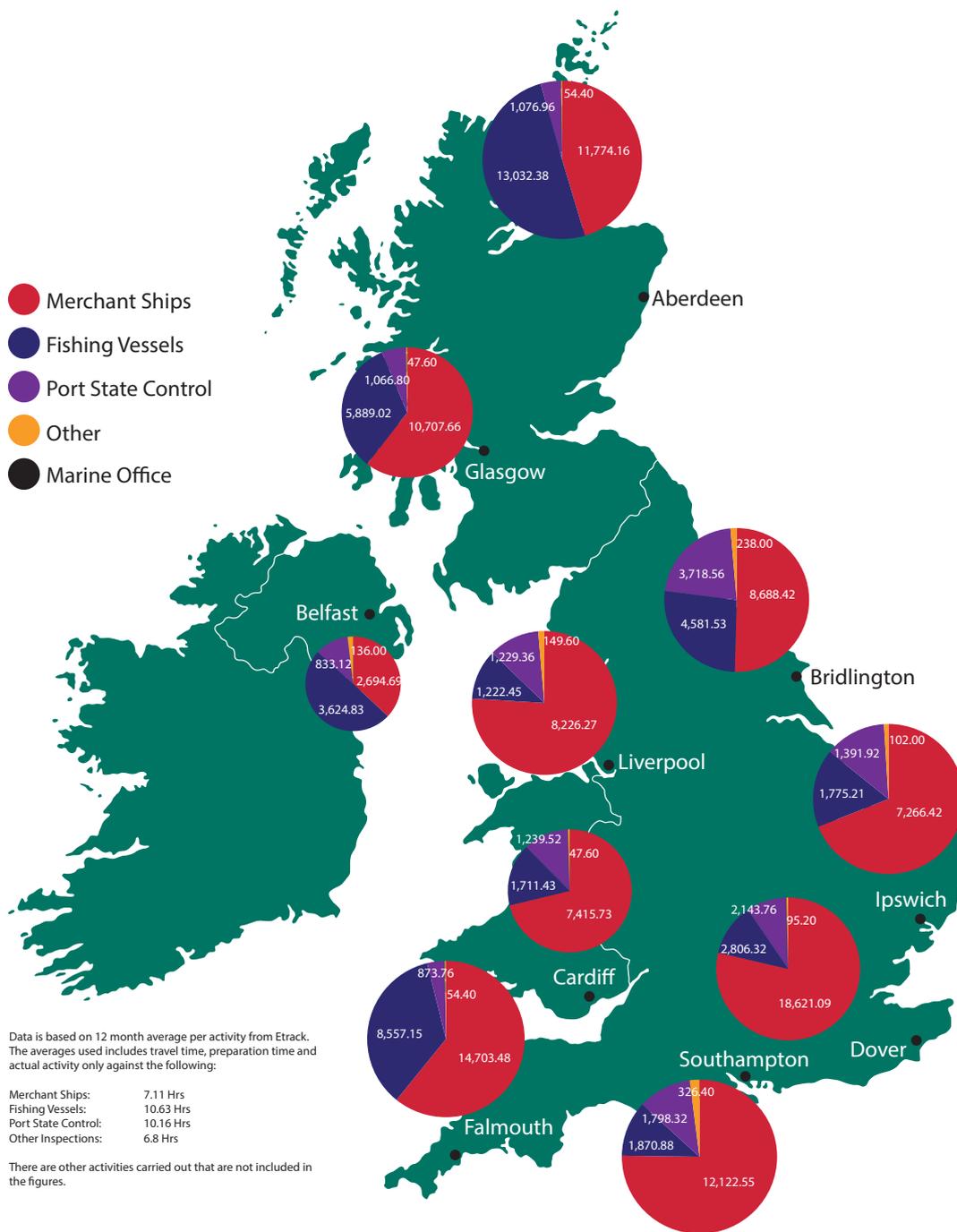


Figure 3: Marine Offices Average 12 Months Hours

- 3.2.14 Furthermore, if we identify the business need for a surveyor elsewhere – either now or in the future – we could exploit the same, flexible regime to provide responsive support in places where there is currently no Marine Office in existence nor is one planned.
- 3.2.15 The proposed changes would potentially have an impact on the availability and accessibility of venues for MCA oral examinations. We are therefore investigating the use of other venues to limit any resulting detriment to seafarers.

**Question 3**

What technology-based channels should be made available to enable you to conduct your business more effectively with the MCA?

### 3.3 Working Practices

- 3.3.1 The MCA must deliver a responsive and flexible, national and international service. To support this a number of new tools and changes to some working practices are being developed. These include:
- An online booking portal for vessel surveys and inspections
  - An online booking portal for oral examinations
  - Issuing certificates digitally
  - Piloting a central unit for booking international surveys and inspections, potentially extending to other S&I activities
  - Improved IT tools to support both remote working and the more efficient conduct of surveys and inspections – including printers, chargers and Business Skype
  - Other enhanced ICT applications, including migrating towards electronic data records management (EDRMS), to improve information handling and digital communications
  - Electronic scheduling of surveyor resources, backed up by a database of surveyor competence
  - Replacement of underlying information systems, including the Fleet Management System, the Seafarers Documentation System and the Approved Doctors Information System
  - More frequent use of Recognized Organizations, and the resources of the Red Ensign Group shipping administrations, to service the need for vessel surveys and inspections in locations remote from the UK.
- 3.3.2 Further proposed changes that more directly impact the terms and conditions of our staff will be subject to formal negotiation with Trades Union representatives.

**Question 4**

What alternative working practices do you believe could be adopted by the MCA to improve our support to the industry whilst meeting our statutory and regulatory obligations?

**Question 5**

Do you have any further proposals for enhancing the MCA's support to the shipping industry and the attractiveness of the UK Ship Register for ship owners and operators?

## 4. Responding to this Consultation

### 4.1 How to Respond

- 4.1.1 If you wish to respond, your responses must reach MCA by midday (12:00) on 21 April 2016. Responses received after the closing date and time will not be considered.
- 4.1.2 Please send consultation responses to:  
Email: [sitpconsultation@mcga.gov.uk](mailto:sitpconsultation@mcga.gov.uk)  
Letter: S&I Transformation Programme, Maritime and Coastguard Agency Bay 3/09  
Spring Place, 105 Commercial Road, Southampton SO15 1EG  
Or complete online: <http://www.gov.uk/mca#consultations>
- 4.1.3 When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled.
- 4.1.4 If you have any questions about this consultation please contact us at one of the addresses below and we will send a response within one working day of receipt:  
Email: [sitpconsultation@mcga.gov.uk](mailto:sitpconsultation@mcga.gov.uk)  
Letter: S&I Transformation Programme, Maritime and Coastguard Agency Bay 3/09  
Spring Place, 105 Commercial Road, Southampton SO15 1EG

### 4.2 Freedom of Information

- 4.2.1 Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).
- 4.2.2 If you would like the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Agency.
- 4.2.3 The Agency will process your personal data in accordance with the DPA and in the majority of circumstances, this will mean that your personal data will not be disclosed to third parties.

### **4.3 Consultation Criteria**

4.3.1 This consultation has been conducted in accordance with the Cabinet Office – Consultation principles: guidance<sup>8</sup>.

### **4.4 Feedback**

4.4.1 If you have any comments regarding the conduct of this consultation please contact the consultation team at [sitpconsultation@mcga.gov.uk](mailto:sitpconsultation@mcga.gov.uk). We are continually trying to improve the way in which we conduct consultations and appreciate your views, so we would also be grateful if you could complete and return the feedback form available from <http://www.gov.uk/mca#consultations>. These should be submitted to the email above and are not affected by the deadline for this consultation.

### **4.5 Transparency**

4.5.1 Following the consultation, analysis of responses and decisions on how to proceed, all responses will be published together with a summary of the response.

4.5.2 Responses will not be attributed but will be published in full.

### **4.6 Next Steps**

4.6.1 As responses to the consultation are received they will be collated.

4.6.2 Once the consultation period closes and the collation of the responses is complete, the responses will be analysed and considered by a review panel. This process will be overseen, and the review panel chaired, by a senior manager independent of the Programme.

4.6.3 The review panel will make proposals for any modifications it believes should be made, based on the analysis of the responses, and submit these in a report to S&I Programme Board. The Programme Board will assess the outcomes and make a recommendation to the MCA Chief Executive on how to proceed.

4.6.4 Comments on this consultation, together with the MCA responses and review panel recommendations, will be made available online at [www.gov.uk](http://www.gov.uk) – Departments and Policy – Consultations, within three months of the closing date of this consultation.

<sup>8</sup> <https://www.gov.uk/government/publications/consultation-principles-guidance>

## 5. Glossary of Terms

<b>CEO</b>	Chief Executive Officer
<b>DPA</b>	Data Protection Act
<b>EDRM</b>	Electronic Data Records Management
<b>FOIA</b>	Freedom of Information Act
<b>GVA</b>	Gross Value Added
<b>IMO</b>	International Maritime Organization
<b>MCA</b>	Maritime and Coastguard Agency
<b>MGS</b>	Maritime Growth Study
<b>PLA</b>	Port of London Authority
<b>S&amp;I</b>	Survey and Inspection
<b>S&amp;ITP</b>	Survey and Inspection Transformation Programme
<b>UKSR</b>	United Kingdom Ship Register
<b>UN</b>	United Nations

