



Environment, Food and Rural Affairs Committee

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From the Chair of the Committee

Victoria Prentis MP

Minister for Fisheries, Farming and Food

Department for Environment, Food and Rural Affairs

2 Marsham Street

London SW1P 4DF

15 July 2022

Dear Minister

UK Seafood Fund: EFRA Committee's recommendations

Thank you for giving evidence to the Committee on 28 June further to our UK Seafood Fund (UKSF) inquiry. We welcome the £100 million UKSF that runs to March 2025, which sits alongside some £100 million of funding from repatriated funds following Brexit that has been allocated to the devolved nations.

In order to take greater advantage of the UK's increasing quota share, this letter sets out our recommendations to enhance the scheme, particularly in regard to the wild catching sector. We trust that you will take these into consideration when devising the future funding rounds of the UKSF.

Priorities for the UK Seafood Fund

We strongly believe that the priority for the next round of Infrastructure Scheme (IS) funding must be the wild catching sector. This should include funding to improve the fuel efficiency of vessels and supporting the funding of new vessels, both of which will both reduce the increasing burden from fuel costs that fishers face and deliver real environmental benefits.

[As you noted](#), the main aim of the UKSF fund is to get the fishing sector "ready to catch the extra quota that is coming our way". It therefore follows that applications by the catching sector must be prioritised to allow fishers to maximise the opportunities now available to them by giving them access to the UKSF.

In particular, the recent sharp increase in fuel prices makes the need to invest in fuel efficient technologies pressing. While we welcome the steps [you noted](#) that the Government is taking to support fishers in the face of higher fuel prices, [Barrie Deas of the National Federation of Fishermen's Organisations](#) (NFFO) told us that they could pose an "existential threat to certain parts of the fleet". [Chloe North of the Western Fish Producers' Organisation](#) (WFPO) said that EU nations provide funding for new build vessels that are more fuel-efficient. It is vital that our fishers remain competitive and that the UKSF urgently supports them in this regard.

£50 million extra funding

The size of the UK Seafood Fund should be increased by 50% to £150 million to March 2025. The extra £50 million should be directed to the Infrastructure Scheme to support the wild catching sector. The £34 million earmarked for the UKSF's two main other schemes should be ring-fenced.

As [you highlighted](#), the IS's first round (of three) – for processing, aquaculture (farmed fish), ports and coastal communities projects – received £60 million of bids against a planned total IS budget of £65 million. You said Defra had received 33 applications and was "really pleased with the quality of applications". Given that applications also require a certain level of match funding, we believe that these figures highlight the sector's strong investment appetite.

Furthermore, we note that, at the time of our hearing, Defra had yet to determine which projects to approve or even, as [your official highlighted](#), the size of the funding pot for the first round so it is not clear how much IS funding will be left for future funding rounds.

Should this high level of interest be maintained in the two further funding rounds for the IS, there is a risk that the Scheme will be heavily oversubscribed. This could mean that many projects would have to be turned down on the basis of the funding available rather than their suitability under the relevant eligibility criteria.

Given the importance of ensuring our wild catching sector can reap the benefits from the additional quota share, plus the relative size of the UKSF against other examples of Government funding support – such as the new

Environment Land Management scheme for England worth around £2.4 billion a year – we believe that an additional £50 million over three years to support the UK's wild catching sector would provide excellent value.

You [said that](#) the size of the IS could be increased, but only by reducing the budgets for the Science and Innovation Scheme (SIS), and Skills and Training Scheme (STS). We heard evidence in particular [from Dr Bryce Stewart from the University of York and Chloe North](#) about the important opportunities from improved scientific understanding and [from Barrie Deas](#) about the labour shortages facing the sector. We therefore do not believe that either scheme's funding should be reduced.

Reducing barriers to applying

Defra must maximise the number of applicants from across the entire seafood community, especially smaller-scale enterprises, by:

- **allowing sufficient time for applications to be submitted;**
- **providing support to help small fishing businesses and individual fishers to apply;**
- **offering funding beyond March 2025;**
- **engaging with and acting on feedback from the sector on the design of the UKSF.**

When setting time windows to apply for and to spend funds, there is a balance to be struck between allowing adequate time and ensuring funding and projects are delivered promptly. For the first round of the IS, however, the evidence we received – including from the [NFFO](#), [Cornish Fish Producers Organisation \(CFPO\)](#) and [Mark Simmonds of British Ports Association](#) – was clear that the time to apply and to complete projects was insufficient in many cases and had even deterred some applications.

We welcome as a first step the 12-month extension to March 2025 to complete second round IS projects, as well as for SIS projects. However, there is a risk that this still does not allow enough time for some more complicated infrastructure initiatives. [Mark Simmonds told us](#) that most ports need a three-year window to deliver large-scale projects. Also, scientific studies such as data collection – which can help manage stocks, inform fishers about the best opportunities, and influence future quota negotiations – have to be conducted over many years in order to generate

comparable time-series data. [WFPO and others](#) told us that there was no point launching such work unless funding was in place for the life of the project.

Your [official](#) highlighted that the UKSF is only funded until March 2025 in line with the current Spending Review timeframe. For the UKSF to be a success, it is important that it is designed in line with the sector's needs first and foremost, rather than Whitehall's internal timescales.

WFPO and South Devon College told us that under the first round of the IS, businesses had to undertake procurement exercises *prior* to applying. Furthermore, it can take 14 weeks to tender for a project, whereas the application window was only 11 weeks. [Elspeth Macdonald of the Scottish Fishermen's Federation](#) told us that, for the first round of the IS, businesses had to submit "huge quantities of documents quantity of paperwork" which was particularly onerous for smaller companies which often lacked sufficient capacity.

It is also important that businesses, especially SMEs, receive support to make applications to the UKSF. [Mark Simmonds](#) said that the process of making an application can be "extremely difficult" and called on support for SMEs. [Dr Magnus Johnson of the University of Hull](#) noted that a high proportion of small-scale fishers are dyslexic.

The fact these issues exist are indicative of the evidence we received from [Jimmy Buchan of the Scottish Seafood Association, Elspeth Macdonald, and Hamish Macdonnell of Salmon Scotland](#) that Defra had not incorporated feedback from the sector when designing the UKSF's funding rounds. The views of the sector must be listened to and acted upon if the UKSF is to realise its full potential.

Supporting the recreational fishing sector

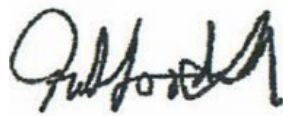
Many fishers who have ceased commercial activities have turned to the recreational fishing sector. We would like to welcome the assurances [you gave us](#) that the recreational fishing sector would be able to apply to a future IS funding round. [The Angling Trust](#) told us that the sector provides an important economic contribution to coastal communities.

A fair allocation of around £1 million from the IS together with eligibility criteria designed for smaller scale projects could support a number of

initiatives – such as harbour toilets, disability access projects and fish cleaning facilities – to support the sector without significantly impacting the wider IS pool of funding.

We would be grateful if you reply within two months' time setting out how you intend to improve the UKSF in line with our recommendations.

Yours sincerely

A handwritten signature in black ink, appearing to read 'R. Goodwill', is centered on the page. The signature is fluid and cursive, with a large initial 'R' and a long, sweeping tail.

Rt Hon Sir Robert Goodwill
Chair, Environment Food and Rural Affairs Committee