



Department
for Environment
Food & Rural Affairs

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18 October 2022

Dear Sir Robert,

I am writing in response to your letter of 15th July where you set out the EFRA committee's recommendations on the United Kingdom Seafood Fund (UKSF) following your meeting with my predecessor. I apologise for the delay in getting back to you.

Firstly, I would like to give my sincere thanks to you and to the committee for your work on this inquiry. As I take on my new role it has been tremendously helpful to have your expert steers to guide us toward delivering a real step change for the industry as we approach a critical phase for the Fund. I have therefore considered the recommendations in detail and offer the following response to each of the points made in your letter:

Prioritising the Wild Catching Sector

Rising fuel costs are clearly an increasing burden on fishers and I agree that the industry will need to increase fuel efficiency and reduce carbon emissions as we adjust to increasing quotas.

Assisting the wild catching sector in this transition is a key priority for the Infrastructure Scheme (IS) and we are keen to begin once we have established the very best way to support the industry. To that end, Defra officials are currently undertaking a consultation, including the people you mention, to gather the disparate views of our stakeholders and decide how we can best meet their needs. Fuel efficiency has featured heavily in these discussions but there are differing ways to accomplish that aim. These include subsidising new engines or gear and investing in modern technology to demonstrate its possibilities. We are also focussed on addressing your recommendation to develop a scheme that is straightforward for fishers to navigate. This takes time but we do expect to launch the scheme around November, as we told the Committee.

In the meantime, I would draw your attention to £32.7 million that HM Government has allocated annually to support the seafood sector. This funding is used to protect our waters, support evidence gathering and enables each of the Devolved Administrations to design and deliver their own domestic schemes. Careful consideration will therefore be required to ensure that the UKSF does not duplicate the existing approach by the devolved governments and therefore delivers maximum value for money.

The scheme for England, the Fisheries and Seafood Scheme (FaSS), makes at least £6 million available in grant funding each financial year with a significant portion being provided directly to the catching sector. We are therefore already delivering a considerable investment into the British seafood industry to meet the requirements of the industry today with any investment by the Fund needing to be delineated from that existing support.

Extra Funding

It is obviously good news that we received so many bids for infrastructure funding in this first round and are planning to announce funding for a number of transformative projects later this month.

However, the number of bids we discussed in June did reduce as a number of bidders opted to withdraw and resubmit for the second round to take advantage of the extension to March 2025. That does mean the second round is likely to see even more bids but we do not currently have sufficient grounds to request an increase in funding from HM Treasury.

Additional funding will be a decision for future spending reviews if there are a number of high-quality bids that we cannot fund. In that sense, it is helpful to see the Committee's recommendation that we should not transfer funding from the Science and Innovation or Skills and Training Schemes given their importance to the industry. Your comparison with the value of the new Environmental Land Management scheme is also one that we have been considering as we look to inculcate the same principle of public money for public goods.

Reducing Barriers to Apply

We completely agree on the need to make the Fund accessible to all who wish to apply and are engaging with industry and officials from the Devolved Administrations consistently to address this need.

Thus far the Fisheries Industry Science Partnerships (FISP) scheme has responded to this feedback by working with fishing charities who have visited coastal locations across the UK such as Bridlington, Brixham and Mallaig to promote the scheme and connect fishers with scientists. They have supported people with writing their applications and offer match funding to alleviate the need for fishers to pay to access the scheme. We may look to extend that scheme but have also offered small grants in the first two funding rounds to provide funding for consortiums to develop research proposals before bidding for higher value contracts.

Based on industry feedback, we have extended the first round of the Skills and Training scheme application window from 8 to 10 weeks. We also extended the application window for the first round of the IS from 8 weeks to 11 weeks and will be extending the time for applicants to submit their tenders in the second round from 8 weeks to 16 weeks.

We will continue to make changes in response to industry feedback with further changes planned. We will particularly bear in mind the suggestion to further extend the scheme as we assess the bids that are received in the second round of infrastructure funding. Should you have any further suggestions we are always open to feedback from fishers and MPs representing constituencies across the United Kingdom on how we can improve the communication of the scheme and ensure all relevant stakeholders are aware of the opportunity.

Support for the Recreational Fishing Sector

We recognise that the recreational fishing sector provides an important economic contribution to coastal communities. A funding round for this vital sector is planned for the autumn following stakeholder feedback that September may be too soon. In any case we

can confirm that will provide around £1 million to the sector and are working with the Angling Trust among others to design the scheme so that it meets the needs of recreational fishers. Until then, recreational fishers have been eligible to apply for FISP funding since the first funding round and we designed the Skills and Training Scheme to ensure recreational sea angling projects are eligible to apply. The recreational fishing sector are also eligible for funding through the FaSS, which relaunched on 13 April 2022.

Thank you once again for the committee's recommendations and scrutiny of the Fund. As you can see from my responses above, particularly in relation to our plans for the wild catching and recreational fishing sectors, your recommendations are shaping our plans and I look forward to your continued feedback to ensure the Fund delivers a step change for the seafood industry.

Please do not hesitate to get in touch if you would like to continue this discussion.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M Spencer'.

Rt. Hon. Mark Spencer MP