

Rural Productivity Working Group Update

Chair - Alex Stevens

To be noted – Alex Stevens will be stepping down as Chair of this group in September and will be replaced by Dan James, Exmoor National Park, with thanks to both.

The Rural Productivity Working Group Priorities have now been developed and these will be worked up into a potential workplan to ensure that these are taken forward. Further work is being done around Food Mapping and Agri-tech.

South West Food Supply Chain Mapping

Currently, the NFU, the HotSW LEP and Devon County Council have committed funds towards this study – it is hoped that other councils in the South West will also contribute. The work is a result of previous reports, research and strategies that have highlighted that we need more data on the outputs of the region and supply chain resilience, to aid future opportunities, strategy and investment. Covid has highlighted the need for more dynamic supply chains. There is optimism in the region as people have had more time to diversify and this has given more sustainability. There is also the upcoming South West procurement pilot – the South West Food Hub working with Crown Commercial services – which is expected to go live in 2022. This will enable local farmers, processors, manufacturers and suppliers to be able to access the market through a dynamic platform where previously they may not have had the capacity or capability to fulfil larger contracts. There is a need to investigate processing capacity further also engaging with producers to make sure that the right products are being offered and presented in the right way. This will help to identify gaps and potential opportunities. It will also help to map the impact of improvements in the supply chain against local and national agendas for climate, clean growth and Net Zero. The research brief is currently being prepared and may vary based on partner sponsorship and timescales, it is very close to being commissioned. Report is scheduled to be presented to the October Board (2021).

Community Led Local Development Study

The study on Community Led Economic Development has been prepared by DR Company and was presented at the Rural Productivity Working Group meeting in June. Presentation to be made at the Place Group meeting. Presentation and report will be circulated after the meeting.

Natural Capital Working Group Update Temporary/Rotating Chair – Paul Cottingham

The detail of the Natural Capital Demonstrator Loan Fund was discussed with the Natural Capital Working Group to develop the best way to move this forward.

What has become clear through all these discussions is that we, as a country, are at a very early stage in the development of this type of investment and that is why the Government has made funds available to invest in the preparation of strong business cases to attract private investment and to embed biodiversity and natural capital into all decision making processes. Defra has stated that we are all asset managers and are looking at a significant change to Green Budgeting – moving away from investing in harm and damage to nature.

The demand and appetite are there but the strong business cases have not yet been developed and it was perhaps too early in this process for the NC Demonstrator Loan Fund. Most potential applicants are awaiting a decision on their applications to the Environment Agency's Investment Readiness Fund or they are currently in the process of working up potential programmes that will require investment. Successful applications to the EA Investment Readiness Fund will have 12 months+ to develop a programme of work which would then potentially be ready for the Demonstrator Loan Fund.

Plymouth City Council has been able to start this process with funding from the Future Parks Accelerator Programme, which has paid for Finance Earth to work with them to develop investment propositions. This work has been taking place for around 9 months and they feel that they are probably 6 -9 months away from having these fully developed.

We await the decisions on the EA's Investment Readiness Fund in July as the Environment Agency is currently unable to share any information on the projects that have applied – there have been around 5 applications in the Heart of the South West. If these applications are successful then this could result in the Investment case that will provide confidence for projects to apply for a loan.

Getting Building Fund Outputs

Some of the Getting Building Fund projects submitted details of what they hope to achieve in terms of Natural Capital. The Advisory Note provided has now been rewritten and will be recirculated. As many of the projects had already been through planning etc, making them 'shovel ready', it had not been possible to consider Natural Capital from the outset. The Natural Capital Working Group, whilst recognising this difficulty, are keen that projects start thinking about this for future programmes.

Transport

Williams/ Shapps Review – Rail White Paper

In May the much delayed outcome of the Williams Rail Review (conducted in 2019) was published in the form of a Rail White Paper. The review concluded that the rail industry had lost sight of its customers; that the industry suffered from fragmentation, with no clear accountability and a lack of strategic direction; and that the system of passenger rail franchising was no longer workable.

The White Paper proposes a new industry structure, with the creation of Great British Railways (GBR) – a public sector body which will be the ‘guiding mind’ for the railways. GBR will set a 30 year vision for the industry, own and control the infrastructure, set the timetable for passenger services and set most fares. It will procure train services through concession contracts.

Private sector operators will compete to run the concession contracts. The provision of trains through private sector leasing companies will be unchanged, and the freight sector will also continue as at present.

The White Paper advocates simpler fares structures, and a faster transition from paper-based tickets to electronic purchase and validation. Greater flexibility in season tickets has already been introduced, reflecting the trend away from traditional 5 day commuting; this trend had been apparent for several years and has accelerated as a consequence of the Covid pandemic.

The White Paper will require primary legislation and hence will take some years to implement fully. However, the dramatic reduction in patronage during the pandemic had already resulted in franchises becoming unsustainable, and hence operators have been moved on to operational contracts with the Department for Transport taking the revenue risk.

Train patronage in the South West has been gradually building up towards pre-Covid levels. This re-growth has been somewhat faster than some other parts of the country – partly because of higher levels of education and leisure travel.

Highways England A303/ A358 improvements

The judicial review into the Secretary of State’s approval of the A303 Stonehenge Tunnel orders was held on June 23-25 and the outcome is awaited.

The programme for construction of the A303 Sparkford to Ilchester dualling has been outlined. Site clearance will start in September 2021 and completion of the scheme is envisaged by mid 2023.

Development of the design for the A358 dualling is ongoing, and consultation on the proposals is planned for late 2021.

Peninsula Transport Sub National Transport Body

Peninsula Transport has received another round of funding from the Department for Transport to progress the development of a Regional Transport Strategy. They will be consulting of a High Level Vision during Summer 2021, and work is ongoing on a range of work packages including an Economic Corridors Study, a Carbon Transition Strategy and a Rail Strategy.

A presentation on the LEP's Blueprint for Clean Growth was given at the recent Peninsula Transport Board meeting.