

## Heart of the South West LEP Board – October 14th, 2022

### Chief Executive's Report agenda item 6

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#### Summary

This report provides an update on current issues – including:

A summary of **what's going well and what isn't**, any key events since the last meeting, and a summary of the state of the economy (including the headlines from our recently published business bulletin).

Elsewhere on the agenda, this is reinforced through our performance reports including the impact of the LEP programmes through our impact summary and performance indicators for current delivery.

Leadership elections and the Queen's mourning period have inevitably caused delays to the **progress of the Devon, Plymouth, and Torbay Devolution Deal**. The Yorkshire and East Midlands Deals have been signed - they will be enacted in April 2024 - but it is difficult at this time to understand the central appetite for Level 2 deals. However, we have started to develop a series of working assumptions including possible changes to the timeline. Consequently, we are recommending to plan that the LEP continues throughout 23/24 with some changes in Governance (see below).

An update on **Great South West including confirming the LEPs nomination to the GSW Partnership Board**

The Board meeting will be immediately followed by our AGM where we will be publishing our Annual Report. At this meeting, the Board is asked to confirm the Annual (dormant) Accounts and financial summary recommended by F&R - [Annual General Meeting - Crowdcast](#)

Following the annual Board effectiveness review, the Board is also being asked to confirm that the Chair will continue for a further term and to agree to modify the Local Assurance Framework and Articles to enable Independent (private sector) Board Members to continue, on an annual basis, as we wait to confirm the future LEP operating model.

#### 1. Recommendations

It is recommended that the Board:

- i) **Agree to the Annual Accounts and statement for a dormant CIC – see F&R report.**
- ii) **Agree to extend Karl Tucker as Chair for a further term (3 years) – see 4.**
- iii) **Agree to hold a Members meeting to amend the Articles to allow independent Board Members to continue to serve on the Board beyond 2 terms on annual basis – see 4.**

- iv) **Note the update on Devo arrangements for Plymouth, Torbay, and Devon, and ask officers to prepare an operating model and business plan for the LEP for 23/24 – see 4.**
- v) **Confirm that Stuart Brocklehurst is the LEP representative on the GSW Partnership Board.**
- vi) **Endorse the draft Declaration of Intent for Local Food Procurement as a basis for consulting public sector organisations**

## **2. State of the Economy**

At the beginning of the month, we published our business bulletin – a digest of data from BROs surveys, etc including ICAEW, Chamber, MAS barometer, etc. This was done before the mini-budget and publication of the 2022 Growth Plan but shows business confidence plunging into negative territory, as companies face a cost of doing business crisis, alongside the cost-of-living crisis that consumers face. Input prices and labour costs are rising, and there are also growing challenges with transport, the tax burden, and supply chains. That many businesses are exhausted is reflected in the lower take-up of support and advice as they hunker down to survive rather than embrace the opportunities.

The Government's 'fiscal event' and 2022 growth plan concentrates on supply-side support including new Investment Zones in Somerset and Plymouth (and Dorset and Cornwall). We will need to work with local partners to shape these Investment Zones but they align with our Ocean Futures and clean growth objectives. As with Enterprise Zones, they are potentially useful instruments to drive growth.

The 2022 Growth Plan also references accelerating infrastructure including support for A303 Stonehenge, the A358, our local major's programmes and local road safety schemes, and Project Gigabit. The Growth Plan 2022 can be accessed here - [The Growth Plan 2022 \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

The Government has also confirmed that the **Chancellor will set out a 'Medium-Term Fiscal Plan' on Wednesday 23 November** and following the 'mini-budget', HM Treasury says Cabinet Ministers will announce **further supply side growth measures** in October and early November, including changes to the planning system, business regulations, childcare, immigration, agricultural productivity, and digital infrastructure. Next month, the Chancellor will, as part of that programme, outline regulatory reforms to ensure the UK's financial services sector remains globally competitive.

The Chancellor has requested that alongside the 23 November medium-term plan, the Office for Budget Responsibility (OBR) sets out a full forecast on the same day.

The Chancellor also confirmed that there will be a **Budget in the Spring**, with a further OBR forecast.

## **3. What's Going Well and What Isn't**

The summer has been somewhat of a national hiatus as the PM election, Ministerial resignations and appointments and a general lack of clarity have led to timetables slipping

on devolution, etc. However, local delivery continues apace in a challenging economic backdrop.

Local Authorities have been busy drafting business cases for UK SPF and Levelling-Up Funds and via the LEP Network the new Minister of State, Dehenna Davidson has confirmed the **vital and ongoing role for LEP functions going forward “*whether they are integrated into local democratic institutions or not*”**, as well as **recognising the need for LEPs to have a level of funding certainty**. Moreover, we received support from Government for GSW. The business case for funding has been submitted and is currently going through Government appraisal processes. We hope to have confirmation ahead of the next GSW steering group meeting - on October 20<sup>th</sup>.

We are starting to see funding commitments/bids being confirmed. The HotSW area has been successful in securing Strategic Development Fund for skills – largely passporting funding directly to colleges and other deliverers and the HotSW area is in the next wave of Local Skills Improvement Plans (LSIPs) which will be led by the Devon Chamber as the Employer Reference Body. DCC was successful in securing Future Farm resilience funding (supporting some 1500 businesses across the GSW geography).

The government has announced a new rural England shared prosperity fund (Somerset and Devon) to be administered by local authorities. Little information currently on priorities – support for farmers is exempt - although it looks like Somerset will look to follow a CLLD model. Devon funding goes to Districts.

#### **4. Devolution and Future LEP integration**

The LEP and BROs received a helpful update on the asks relating to the proposed Devo Deal at the end of September but we are awaiting clarity from Government on how they wish to progress non-mayoral (Level 2) Devolution Deals.

The enactment of any new County Combined Authority for Plymouth, Torbay, and Devon is consequently slipping back further into 23/24. Therefore, the LEP must continue to operate effectively delivering its priorities dovetailing with the important work going on in local places (and hopefully some successful local bids for funding eg Levelling-Up Funds), and consequently, we are now developing a LEP business plan to operate for at least 23/24.

We will look to bring this updated business plan to the January meeting. This will require some changes to our Governance – eg Somerset representation and extending the term of our business reps. We will therefore need to hold a Member's meeting immediately after/before the January meeting to agree on changes to our Articles.

#### **5. Current Summary of Progress**

##### **a) Places**

**Glastonbury Town Deal** has had its full £23.6m funding confirmed with all its 11 business cases signed off by Government. All Town Deal Board are increasingly facing the challenges of delivery particularly cost increases and supply chain challenges.

**Bridgwater and Torquay Town Deals** are on track submitting business cases but all are struggling with delivery challenges most obviously significant cost increases.

**Levelling-up Fund Round 2** – bids are currently being appraised centrally. My understanding is that the DLUHC ones are done but DfT is a bit behind.

**Investment Zones** – Plymouth and Somerset were identified as areas of potential Investment Zones – similar to Enterprise Zones/Freeport financial instruments (without the

customs piece). [Expressions of Interest](#) have now been invited by DLUHC with a tight deadline of the 14<sup>th</sup> October. The PASD Freeport final business case will hopefully have now been signed off and consultants have been appointed to find a permanent chair and CEO for the PASD Freeport company.

**UK Shared Prosperity Fund** – Local business cases are still with Government but expected to be announced as part of the November Fiscal statement.

**Western Gateway PRP** has appointed a new Director – John Wilkinson (from the DLUHC Freeports team) – and Government has confirmed a three-year funding package totaling £3m.

Discussion continues apace with possible investors and the Office for Investment for development at **the Gravity Enterprise Zone** – any further updates can be made at the meeting.

The Business case to support funding for the **Great South West** has been submitted and we hope to have a positive response by mid-late October. An update briefing is attached in Appendix 1.

#### b) **Business Environment**

**Growth Hub** – following discussions through the business leadership group, future delivery options are being assessed but remain challenging without clarity on future BEIS funding support for ‘front door’ delivery.

**ESIF delivery** is now coming towards completion including our soft-landing inward investment package. The transition of business support through the completion of ESIF into SPF/Devo arrangements will mean at least a hiatus in some business support and some stopping completely. For example, peer-to-peer programmes stopped this year, scale-up support is stopping and support for social enterprises is diminishing.

**Future Leaders programme** – 13 future leaders completed the courses with all, rating them as good or excellent. We have completed a full evaluation which is available and think there is a good basis to continue delivery but would need to identify a funding mechanism – about £20k per cohort (up to 16).

#### c) **Infrastructure**

**The A303 and A358 improvements and local major transport programmes** were highlighted as infrastructure projects for acceleration in the 2022 Growth Plan, as was **Project Gigabit**.

We are still awaiting revised plans from CDS for the delivery of the **Next Generation Broadband scheme** and specifically their drawdown of LEP funding. This remains the only red risk project and is being reported to SIP in November for recommendations.

#### d) **People and Skills**

**With both the SIP and Strategic Development Fund EOIs approved** at HotSW geography we can move onto the delivery. Any further news on the **Multiply** programme can be reported verbally.

**The Careers Hub** have drawn in some extra funding to widen their offer in the settings they work in. With the challenges to Local Authority and LEP Budgets, local match funding for future delivery is going to become extremely difficult. There is a specific ask in the Devo deal

and therefore we will review the next steps in the New Year when we are a bit clearer about future devolution.

UoE provided an update on the **Social Mobility report** and recommendations including hoping to have the SW Commission established by January and an update event next spring. The report made a recommendation (4) for the area to be a centre of excellence for technical training (particularly in clean growth sectors). With an Institute of Technology and Strategic Development Fund, this seems like an important opportunity and it would be good for the HotSW SAP to have a look at and report back.

#### **e) Ideas and Innovation**

**Maritime and Environmental Science Accelerator** (MESA) – the outline business case has now been published.

The Environmental Living Lab project led by the **Satellite Applications Catapult** has been contracted.

Bids for Future Flight and Marine have been submitted to the **Regulators' Pioneer Fund**.

We expect Innovate UK to shortly be publishing invites for EOIs to host a regional **Launchpad**, providing up to £7.5m of funding to regional SMEs over 3 years. Likely to be focused on Marine/Ocean Futures we will be working with local partners on an EOI.

In response to the research into **Public Procurement of Food** in the South West (March 2022) that was funded by the LEP and other partners and undertaken by the University of Exeter, we have drafted a **Declaration of Intent** for public sector organisations to sign that seeks to source more seasonally and domestically available locally produced food. This builds on the UK Government's Food Strategy published in June and Defra's consultation over the summer on changes to the food and catering policy. The Board is asked to endorse this draft declaration, included in Appendix 2, as a basis for consulting public sector organisations across HotSW, and engaging the Great South West Partnership to establish if this could be adopted across Dorset and Cornwall as well.

#### **f) Transport**

##### **National Highways - A303/ A358 improvements**

National Highways are continuing to develop detailed proposals for dualling the A358 between Taunton and Southfields Roundabout (the end of the A303 Ilminster Bypass). In response to community concerns expressed during the Autumn 2021 public consultation, National Highways made some amendments to their plans and held a further round of consultation. The LEP has indicated its continuing support for the scheme. It is expected that the application for the Development Consent Order (DCO) will be submitted later this year, and National Highways has initiated a communications campaign on the business and community benefits of the project before submission of the DCO.

Following the judicial review held in June 2021 which led to the quashing of the Secretary of State's approval of the Development Consent Orders for the A303 Stonehenge Tunnel, the Secretary of State is to re-determine the application. National Highways have made a further submission in response to questions raised at the judicial review, and the proposals have been further reviewed by the World Heritage Centre. The LEP has taken the opportunity to confirm its continuing support for the Stonehenge scheme. If the Development Consent Order is approved the current opening date for the Stonehenge scheme is late 2028.

Construction of the A303 Sparkford to Ilchester dualling is progressing well and completion of the scheme is envisaged in late 2023.

Both the A358 Dualling and the A303 Stonehenge schemes are included in the list of infrastructure projects in the Growth Plan 2022 published by the Chancellor on 23<sup>rd</sup> September, together with the A38 Devon Safer Road Scheme.

### **Major Route Network**

Government has confirmed funding for the A382 widening scheme between the A38 Drumbridges junction and Newton Abbot. This will complete the A382 widening project, the first phase of which was supported by Growth Deal 1 funding.

The list of infrastructure projects in the Growth Plan 2022 includes A382 Drumbridges to Newton Abbot, and also Phase 1 of the Plymouth A374/A386/A3064 improvement linking Plymouth City Centre with the Parkway; A38 North Somerset (from M5 Junction 22 to Bristol Airport); and A361 Devon Safer Road Scheme (North Devon Link Road).

### **Bus Service Improvement Plans**

In response to Government's "Bus Back Better" strategy published in 2021, Local Transport Authorities submitted Bus Service Improvement Plans. These plans set out ambitions for enhanced service frequencies, greater geographical coverage of regular bus services, Demand for Responsive Transport in more remote areas, fares initiatives, etc.

Some 31 of the 79 BSIP bids received a funding allocation, including £14.1m for Devon and £11.9m for Somerset. The allocations made were significantly lower than the scale of each bid, and hence authorities are having to prioritise their ambitions.

In addition, Government is making £60m funding available to enable all bus operators to cap their single fares at £2 for the first 3 months of 2023.

### **Rail Infrastructure and Services**

Patronage figures for the Okehampton to Exeter line, which re-opened in November 2021, continue to run ahead of the business case predictions. The service frequency increased to hourly in May, following the completion of works to increase the line speed.

Work to develop the proposals for new stations at Cullompton and Wellington to the point where they are 'construction ready' is proceeding, following the allocation of £5m in the Autumn 2021 budget. The aim is to open the new stations in May 2025.

The Strategic Outline Business Case (SOBC) for a potential new station to serve Somerton and Langport was submitted in February, and the SOBC for re-opening the rail line to Tavistock will be submitted in October.

The South West has been leading the way nationally in rebuilding rail patronage in the wake of the Covid 19 pandemic. One of the reasons that this re-growth has been faster than in other parts of the country is because of higher levels of education and leisure travel in the region; another is the lower dependency on commuting. However, the reductions in commuting to London and business travel leave the rail industry with an income deficit, as those journeys yield higher fare levels than leisure and local travel.

Gateline figures at Exeter Central and Taunton are now well above 2019 levels; in the case of Taunton, this partly reflects the impact of the major Growth Deal funded enhancement of the station, including the new multi-story car park.

Construction of the Growth Deal funded station at Marsh Barton, Exeter, is progressing and the station will open in early 2023.

The extended period of dry weather in the summer has created major infrastructure challenges on the Waterloo to Exeter route, owing to the risk of failure of some of the embankments. As a consequence, speed reductions have been imposed which means that a much-reduced timetable has had to be introduced. This disruption will likely extend throughout much of the Autumn.

### **Peninsula Transport Sub National Transport Body**

Peninsula Transport has completed work on several of the individual work packages and has published the Freight Strategy and Rural Mobility Strategy. These strategies are jointly owned by Peninsula Transport and Western Gateway, and hence cover the complete geography of the South West.

Work on the Carbon Transition Strategy will be presented to the next meeting of the Peninsula Transport Board, and work is ongoing on strategies for rail and international gateways. The STB aims to prepare a draft Transport Strategy for the Peninsula in early 2023.

## Appendix 1 Great South West – Update Briefing

**“I think the South West, of all the areas in the UK, is really at the forefront of the fight against climate change and also the green industrial revolution”**

**Business Secretary – Rt Hon Kwasi Kwarteng MP, Secretary of State BEIS, June 2021**

### 1. Background

**In October 2016, Sajid Javid (then SoS at MHCLG) challenged the area (at a GSW summit) to work more collaboratively, across a wider geography and create a “Powerhouse” of its own.** This has now been achieved by bringing together a partnership including MPs to deliver an agreed prospectus to be the UK’s Greenest Economy and particularly - but not solely - to support the area’s Green and Blue Economy.

To achieve this, various meetings were held with Ministers, supported by a GSW APPG chaired by Sir Gary Streeter MP. On each occasion, encouragement was given to keep going. Local media backed these efforts with a “Back the Great South West” campaign and included an invitation in November 2019 to No. 10 to meet the (then new) Prime Minister and his Business Advisor Andrew Griffiths (now MP for Arundel) but despite this ‘encouragement’, we were unable to secure Government recognition (similar to Northern Powerhouse, Midlands Engine, and Western Gateway). Our GSW Prospectus – Securing Our Future – was published in January 2020 with 5 key priorities.

In February 2022, the Levelling Up White Paper identified the Great South West as “a private sector led initiative the UK Government is engaging with” stating “it would support the development of these clusters across the UK working closely with the Centre for Thriving Regions, a proposal recently put forward by the CBI”.

In Table 2.4 of the White Paper, it confirmed that “The Great South West (South West England) is a powerhouse brand to promote joint working between Cornwall and the Isles of Scilly, Heart of the South West (Devon and Somerset, including Torbay and Plymouth) and Dorset, with a vision is to become the leading region in the UK for the green and blue economy. This includes the field of photonics – the sensors needed for autonomous vehicles in land, sea, and air, which are being researched at the UK’s Electronics and Photonics Innovation Centre (EPIC) in Torbay”.

The **Great South West is therefore** a locally driven collaboration, driven by business, working closely with Local Authorities, FE, and HE across the geography to achieve a clear value proposition at scale.

It represents **a population of over 3 ½ million**, some 190,000 businesses larger than both the West Midlands and Greater Manchester Combined Authorities. The region has **31 MPs**, 28 of which are Conservative, 2 Labour 1, and 1 Lib Dem who come together as an APPG under the chairmanship, now, of Simon Jupp MP.

Its **economy and demography mean it faces different challenges** and its natural capital has different opportunities than other pan-regional powerhouses. For example, it has:

- The tightest labour market in the UK
- Oldest demography in the UK with a huge brain drain of talents
- Some of the highest disparity of earnings to homes affordability
- Rurality and reliance on seasonal work such as tourism and agriculture lead to below the national average productivity and wages
- Poor connectivity and infrastructure resilience e.g., Dawlish and A303 corridor, digital – the Peninsular still regularly gets ‘cut-off’



- Includes both rural and urban areas of significant deprivation and underperformance, particularly in our coastal and rural communities exacerbated by the economic impact of Covid and recent cost of living challenges
- High quality of life satisfaction and Natural Capital – both coast and landscape
- The capability to provide all the green/low carbon energy the country needs eg Hinkley, SMRs, FLOW, solar. Geothermal and carbon capture and sequestration
- Particular research assets including in environmental science, marine, energy provision, aerospace and space, tourism, food, and farming.

## **2. The Great South West Prospectus – Securing Our Future**

In early 2020, ahead of the Budget the Partnership worked with its MPs to develop the Great South West prospectus – Securing Our Future - [GSW Brochure A4 new colours.indd \(greatsouthwest.co.uk\)](#)

This prospectus concentrates our efforts and impact on the sectors or opportunities broader than County/LEP boundaries and specifically delivering net zero through our blue and green economies. Consequently, the importance of this work has become even more important in the context of devolution through emerging County Deals, the importance of both energy and food resilience.

Working with our MPs on our ambition to be England's Greenest region, we agreed 5 key priorities as follows:

- A trade and investment hub (with DIT)
- A clean energy powerhouse
- A rural productivity deal (with DEFRA)
- A marine autonomy proving ground
- A regional tourism zone (with DCMS)

Good examples of recent work include the bringing together of the Gravity Enterprise Zone in Somerset, which is currently being considered as a potential location for a Gigafactory, with the emerging Lithium extraction and processing operations in Cornwall so demonstrating the availability of a local tech metal supply chain to add weight to the inward investment proposition.

Additionally, we have recently collaborated with the GSW APPG and local partners on the potential impacts and opportunities for the agricultural sector with the removal of the BFPS and the introduction of the emerging ELMS arrangements securing £2.6m from DEFRA to be delivered across the GSW geography by Devon County Council.

Similarly, Tourism 2030 was developed across the GSW geography and now places us in a good place to respond to the Visit Britain DMO review.

## **3. Next Steps**

The GSW Partnership has operated with limited capacity through a steering group over the past few years largely utilising local goodwill and a little LEP resource to develop our key propositions and support the work of the APPG.

Its recognition allows some capacity to supercharge key regional priorities - Tourism 2030 Plan, highlighted as an exemplar practice in the Visit Britain review; Ocean Futures setting

out our regional marine opportunities; the SW Regional Defence cluster also highlighted in the Levelling-Up White Paper and the recent publication of the Social Mobility in the South West report through the Centre for Social Mobility at Exeter University.

Moreover, the recently published Energy Security Strategy and Levelling-up White Paper, which now sees two significant parts of the South West (Cornwall and Devon) progressing devolution in the first wave, make this cross-region sector-based working even more important.

Going forward maintaining our focus on delivering Net Zero and the levelling up of our blue and green economies, with Government support, we are looking to work with partners to:

- Through a small Executive complete our Governance review with a new constitution and Local Assurance Framework
- Develop our route map to deliver England's Greenest region and our ambition to be a net exporter of green energy, including supporting the consenting and delivery of floating offshore wind. We believe that the availability of green energy is likely to be a key driver in future business location decisions and therefore strengthen our inward investment proposition
- Provide support to the secretariat to deliver the southwest Social Mobility Commission
- Continue to work with our MPs and the GSW APPG
- Work with Government to deliver the Ocean Futures prospectus
- Continue to work constructively with the Western Gateway (and other PRPs) on items of shared endeavours regarding nuclear, aviation, energy, and other initiatives centered around the Bristol Channel and transport
- Support our farmers and landowners in delivering effective food production and food security whilst harnessing the potential for carbon sequestration, carbon offset, and other environmental benefits.

Our track record demonstrates our ability as a region to work together to accelerate these important priorities; our APPG demonstrates our willingness to work with our MPs and Government in doing so and; our priorities are directly aligned with Government challenges of energy and food security, net-zero and leveling-up. Our natural capital both marine and land-based provides our USP to make this happen hence our reference as the UK's natural Powerhouse.

#### **4. GSW Governance**

Through the business case development with Government, the steering group has updated its constitution (available on request) and will be overseen by a Partnership Board (including Local Authorities, LEPs, Universities, and Business reps) initially chaired by Karl Tucker with HotSW LEP providing the secretariat. Cornwall Council is to be the Accountable Body. This model may need to evolve if and when Devolution Deals emerge and the Partnership formalises

By letter, the Government has indicated its support for the Great South West in the form of £1.5m over 3 years (£250k in 22/23, £500k in 23/24) and £750k (24/25) subject to a detailed business case.

This was submitted by officials in mid-September and we hope to have confirmation of support by mid-late October. A House of Commons GSW reception is taking place on November 3<sup>rd</sup> and an Energy summit (at Plymouth Uni) on November 23<sup>rd</sup>.

#### **Conclusion**

Working closely with Government officials we hope shortly to have funding confirmed and therefore hold the first GSW Partnership Board in late November/early December with representatives in place.

## **Appendix 2 Local Food Procurement – Draft Public Sector Declaration of Intent**

### **Context**

Domestic food production is a vital contributor to national resilience and food security, it plays a critical role in meeting our carbon and environmental targets, and it reduces the offshoring of food production to countries that do not meet our high environmental and animal welfare standards. The food and drink industry also has an important role to play in levelling up as it is the UK's largest manufacturing industry (bigger than the aerospace and automotive industries combined), creates over £120 billion of value for the economy every year and employs over 4 million people.

Nationally, it has been estimated that public sector organisations spent £2.4 billion annually on food products in 2014. While big players dominate some sectors, a large proportion are smaller businesses. In the food and drink manufacturing sector (excluding beverages) for instance, 96% of business are SMEs and account for 25% of employment and total turnover of the sector. In the South West, many agricultural enterprises are small family farms that contribute to the rural economy, local communities and to landscape quality.

The UK Food Security report published by the government (December 2021) concluded there is a high degree of food security in the UK, with 60% of the value of all food we need being domestically produced, rising to 74% of food which we can grow or rear in the UK. Of the 9.2 million hectares of farmland in England, we have some of the best performing farms in the world such that 57% of agricultural output comes from just 33% of the farmed land area. We produce more lamb and liquid milk than we consume and, in recent years, our production in sectors like poultry and soft fruit has increased with further sustainable growth opportunities such as horticulture and seafood.

The government's Food Strategy (June 2022) aims for farmers to broadly maintain the current level of food we produce domestically whilst also aspiring for at least 50% of public sector spend on food to be on food produced locally or certified to higher environmental production standards. They have committed to support the sector to work with more small and local suppliers and to improve accountability by requiring public organisations to report on the food they buy, serve and waste. The government believes this could be an exemplar for wider society, delivering positive health, animal welfare, environmental and socio-economic impacts.

The University of Exeter's research into Public Procurement of Food in the South West (March 2022) showed a growing interest among all stakeholders regarding the opportunities and benefits of shortened supply chains, including increasing competitiveness and productivity. Building on this research and the government's consultation during the summer on the Public Sector Food and Catering Policy, South West public sector organisations have made the following declaration.

### **Declaration of Intent**

1. This Declaration has been prepared in response to research published by the University of Exeter into Public Procurement of Food in the South West (March 2022) and to the UK Government's Food Strategy published by Defra (June 2022).
2. We will seek to source more seasonally and domestically available locally produced food, aiming for 75% from the UK and of that 50% from the South West local region by 2028. Locally produced food is defined as ingredients produced/grown/caught within the same region as it is consumed, or a neighbouring county (for counties at

regional boundaries), as set out in Defra's consultation on the Public Sector Food and Catering Policy. Multi-ingredient foods may qualify as 'locally produced' if at least 50% quantity (Kg or L) of their ingredients are produced/grown/caught in the local region.

3. We recognise that by shortening food supply chains we will contribute positively to national and local net zero objectives, improve food security with a more diverse and resilient producer base, join up regional food production and consumption, stimulate economic competitiveness of a vitally important sector, contribute towards our aspiration to level up rural communities, and drive up the quality of food offered to our customers, service users and employees.
4. We understand that our approach to local food procurement into our organisations must deliver value for money within the framework and resources we currently have, and at a time and place that ensures continuity of food service. We will work with partners and funders to seek opportunity to resource best practice, facilitate new ideas and innovation, and upskill to improve value for money.
5. We will work with organisations that provide an interface between large scale demand for a product and the sometimes disparate supply chains to help aggregate supply and improve access to market for smaller SME farmers, growers and food manufacturers.
6. We will work positively, proactively and collaboratively with local food businesses to plan seasonal strategies, adopt more efficient tools and/or processes to make them more resilient to future change, and ensure workers in the sector are supported with access to appropriate training.
7. Within 12 months, we will publicly review our procurement policy and build pre-market engagement into our process to streamline it for all local food producers to supply into our organisation.
8. We will publicly report on our progress each year, including the proportion of all food served that is procured from growers/producers/manufacturers within the South West and UK, and the number of local producers supplying food to our organisation.
9. We urge every public sector organisation to do the same and call on the Government to work with us to deliver this Declaration. Through collective action, innovation and influence we will be able to create a mutually supportive regional food supply chain economy that maintains high standards of staff and animal welfare, and delivers sustainable food to be used in the public sector across the South West region.