Welcome to Landscope

Highlights
Minister’s address: Red tape to be slashed and major consultations on the way
The Minister’s conference speech has been criticised for lacking new information. However given the Government’s tight lipped approach to Brexit and the timeframe it will take to draw up viable agricultural proposals, the lack of policy or plan announcements is not surprising. Andrea Leadsom reaffirmed the Government’s commitment to be the first generation to leave the environment in a better state than we found it. She confirmed the Government will be looking at scrapping red tape, the rules that hold us back, “no more, ridiculous, bureaucratic three-crop rule”. But the most significant announcements were major consultations on the soon to be published 25 year plans for food and farming and the separate environment plan. These plans are 2015 manifesto commitments which will now be used as the vehicle to develop post-Brexit farming and environmental policy.

Avian Influenza update
Since the last issue of Landscope cases of Avian Influenza have been identified in Lincolnshire (turkey farm), Carmarthenshire (backyard flock) with the most recent last Friday in a backyard flock near Settle in North Yorkshire. 3km Protection and 10km Surveillance Zones have been established around the premises. The disease has also been found amongst wild birds in Wales, England and Scotland (10 cases). The national Prevention Zone which requires birds to be housed or kept separate from wild birds, has been extended until 28 February. The Government has also introduced a GB wide temporary ban on gatherings of birds at higher risk of avian flu, including chickens, turkeys, ducks and geese; it restricts events such as livestock fairs, auctions and bird shows.

Income support out, public goods in
Land management payment objectives should be clearly linked to the delivery of public goods and not simply providing farm income support, according to the House of Commons’ Environmental Audit Committee. The Committee’s report following their inquiry into the Future of the Natural Environment after Brexit, concludes that a better balance is needed between agricultural support and environmental protection. Their position on this appears similar to comments George Eustice has made. The committee also proposes a three to five year transition period is allowed after Brexit to introduce a new support structure. It was also critical of the Government’s logic behind preparing separate 25 year Food and Farming, and Environment plans rather than a combined strategy.

Oxford Farming Conference
Scotland wants to maintain support rates post 2020
Speaking at the Oxford Farming Conference, Scottish National Party rural affairs spokesman Calum Kerr confirmed that the Scottish Government wants direct subsidies to continue at current levels beyond 2020; a measure intended to be in place until it is clear producers can survive without them. However Defra Minister George Eustice warned that a UK framework for agriculture has not yet been drawn up, or the amount of national discretion each country will have agreed. Whilst Defra wants countries to develop policies appropriate for their circumstances, they want to avoid anti-competitive subsidies in parts of the UK. Mr Eustice repeated his previous comments that they are looking at all the options, including crop insurance style schemes; Defra wants to move away from direct subsidies and prefers to support environmental public goods and measures to improve industry resilience.

NFU: Impossible to develop post-Brexit agricultural policy before EU trade deal agreed
In the NFU’s view it will be impossible to develop a post-Brexit agricultural policy before our trading arrangements with the EU have been settled. Deputy President Minette Batters called for a transitional period after 2020, a view shared by Helen Ghosh, Director General of the National Trust. Separately NFU President Meurig Raymond responded to the Minister’s speech, saying their immediate concerns were not addressed by the speech. He reiterated the pressing need for clarity on future access to the single market, how farms will continue to have access to a reliable workforce and what the ambitions are for a future domestic agricultural policy.
£120 million funding boost
£120 million of Government funding will help get new businesses off the ground and support existing companies to grow, develop new products and access new export markets. It will be available through the next round of the Rural Development Programme for England (RDPE) Growth Programme and is covered by the Chancellor’s guarantee that projects extending beyond our exit from the EU will be supported providing they are good value for money and in line with domestic strategic priorities. The application window is said to be opening soon.

Uplands a threatened place
At the Oxford Real Farming Conference, Helen Browning chief executive of the Soil Association warned that she was “very concerned” about the prospects for upland farmers, and that the “uplands feel like a really threatened place”. At present subsidies are essential to the viability of many upland livestock farms. Whilst she noted the opportunities to deliver eco-system services, markets to reward producers for providing ecosystem services do not currently exist, so upland farmers will need continued support until markets develop.

No support for subsidies
Professor Tim Lang from the Centre for Food Policy at City University of London, was critical of the Government; “Defra is weak and the current secretary of state thinks that food policy should be all about food exports and agri-technology”. He argued that there is no public support for subsidies, and public support for environmental goods tends to evaporate once you begin to talk about paying for it.

Food and Farming
Bovine Tuberculosis
The Government plans to apply for TB-Free status for Northern and Eastern England next year. This is two years ahead of the schedule in its 25-year plan for the UK to be TB-Free by 2038. It has also announced plans to use more accurate blood tests in the high risk areas to ensure positive animals are not missed. Powers will be created to bring the managing of the TB risk in pigs, sheep, goats, deer and camels more in line with cattle controls. Rather than monthly, the ibTB tool will be updated fortnightly; it allows producers to view whether there are any TB outbreaks close to their farm.

Scottish blueberries
Blueberry production increased 10% in Scotland last year and there is a large potential market. In 2014 the UK imported $123 million of fresh and frozen blueberries from other EU countries, it was the biggest customer in Europe for fresh blueberries. Researchers at the James Hutton Institute are using new plant breeding techniques to develop blueberry plants which are more suited to the Scottish climate.

UK mushroom expansion
One of Ireland’s leading mushroom producers for the UK market is planning to expand its UK farms over the next two years. We previously reported in Landscape that five of Ireland’s 60 producers have gone bust due to the impact of the pound weakening against the Euro. Walsh Mushrooms sees UK production as a way forward for their business, but notes labour supply could present issues.

Aldi farm in partnership
Aldi has started a calf rearing scheme in partnership with a Warwickshire family farm. The supermarket chain and family are investing in a high health milk feeding unit and finishing units which are designed to maximise calf welfare and meat quality.

Welsh farm incomes drop
The latest figures from the Welsh Government show that average farm business income in 2015/16 was 23% lower than in the previous year. As reported in the last edition of Landscape, recent Defra statistics showed total income from farming for the UK fell by 24%.
Farm support payments
£263 million of loans have been made to 12,000 out of 16,500 eligible businesses (as at 16/12/2016).
91% of farmers received their 2016 payments in December, so the RPA met its 90% target. Over £1.4 billion has been paid to 78,000 farmers (as at 31/12/2016).
The Welsh paid BPS to almost 90% of their claimants on 1 December. £173 million was paid to 13,176 claimants (as at 01/12/2016).

Cross Compliance
Defra has published new Cross Compliance rules which apply in England from 1 January. The only change to the rules relates to ‘GAEC 1: Establishment of buffer strips along watercourses’, which now also applies to fields less that two hectares in size. Click here to view the document.

Chemical increases wheat yields 20%
Rothamsted Research and Oxford University have developed a synthetic chemical which increases wheat yields by 20% by altering how the plant uses sugars to build starch and increases grain size. They believe the technique shows real promise for radically altering how we farm and will now try and replicate the lab results in a field environment.

Workers agree gangmaster compensation
Six Lithuanian migrant workers, who worked as chicken catchers, will receive in excess of £1 million of compensation and legal costs after an out-of-court settlement. A High Court ruling in June, found their gangmasters had failed to pay minimum wage, made unlawful wage deductions and failed to provide adequate welfare facilities. The settlement is said to be the first against a British company in relation to modern slavery.

Scotland: new cattle tracing system
ScotMoves, a new system for recording cattle moving within a business, has replaced the Cattle Tracing Systems (CTS) Links system. The new system improves recording of cattle between linked holdings.

“Factory farm” map
Compassion in World Farming is raising funds to create a UK “factory farm map”. Results will be based on geographical areas rather than identifying individual farms.

Irresponsible drones
In response to a government consultation, the CLA and NFU have suggested rules are needed to tackle irresponsible drone use over private land, including sheep worrying and privacy concerns.

Brexit
EU single market access required
Agriculture could find itself at a “long-term competitive disadvantage” if trade with our largest market, the EU becomes subject to tariffs. In their “Making a Success of Brexit” report the CBI calls for a barrier free relationship with the EU and for a whole economy approach to be taken in the negotiations so that industry sectors are not sacrificed in favour of others. Click here to view the report.

Special deal needed with Ireland, and seizing the initiative
A House of Lords report urges Government to pursue a special deal with Ireland because any restriction of cross-border trade could affect their agri-food sector significantly. Independent of this, spotting an opportunity Food and Drink Wales, a subsidiary of the government investment agency Business Wales, is understood to have been approaching Irish businesses to promote the benefits of setting up in Wales. Following the impact of weaker sterling on Irish food businesses, it is likely some will be considering setting up UK production facilities. In a separate initiative the British Irish Chamber of Commerce (BICC) has launched the British Irish Gateway for Trade service in order to link up trading partners and promote trade.
More likely to retire
20% of farmers surveyed for the Rural Scotland in Focus 2016 report said that Brexit had made them more likely to retire from farming. 32% thought it was likely they would need to increase diversification and off farm income.

Environment
Countryside Stewardship 2017
New Countryside Stewardship elements are open for applications.
- A Flood Action Facilitation Fund of £720,000 will help groups of farmers and land managers in areas hit by last winter’s flooding, develop natural flood management projects on their land. Applications close on 15 February.
- Woodland Creation and Planning Grants will provide funding to support woodland creation and the long-term management of forests. There is a £17 million budget.

Over £58 million to benefit rural Scotland
Over the next five years the Agri-Environment and Climate Scheme will benefit nearly 1,000 projects, helping rural businesses to protect our natural heritage, improve water quality, manage flood risk and adapt to climate change.

Property management
A useful guide to responsibilities and powers relating to local road maintenance, repairs and street works has recently been published. Click here to view.

Energy
Renewable Heat Incentive
Good news for those considering renewable heat projects. Although there were some significant changes to the structure of the Renewable Heat Incentive (RHI), including tighter application requirements and revised tariffs, Savills Energy Consultants modelled these changes and new projects still achieved strong financial performances. If you have a significant heating bill for your business or require independent advice on a potential installation please contact Adam Baxendale.

Cryogenic storage
The world’s largest cryogenic energy storage plant is planned near Manchester. It will use surplus electrical energy to chill air into liquid form for storage in tanks. When power is needed the air is allowed to warm, its volume expands 700 times and is used to drive a turbine. The 5MW plant will be able to supply 5,000 homes for three hours; much larger plants have been designed. Energy storage is receiving increased attention: at the UK’s latest capacity market auction smaller embedded generators, including batteries, fared well - 500MW of new battery capacity was awarded contracts.

Renewable energy target met
Scotland met its target for 50% of its electricity to be renewable in 2015. The actual figure was 59.4%, so substantially over the target and also a large increase on 49.9% in 2014.

General
Heritage worth £2.3 billion to Scotland’s economy
The historic environment and heritage sector in Scotland is worth £2.3 billion to the economy, according to a recent study for Scotland’s Historic Environment. 14.6 million visits are made each year and owners spend £1.2 billion on repair and maintenance. 55,400 jobs are supported directly and at supplier businesses.

Scotland: Agricultural Tenancies
The first tranche of provisions under Part 10 of the Land Reform (Scotland) Act 2016 are now in force. They include the widened categories of persons eligible for assignation and succession under 1991 Act tenancies.
Planning and development
‘Major developments’ in National Parks
Research by the Campaign to Protect Rural England, National Trust and Sheffield Hallam University has concluded that short-term economic priorities often override long-established protections for National Parks. National policy has restricted ‘major development’ in National Parks since they were created, however the research found that interpretations of ‘major development’ vary between the National Parks and decisions to approve planning applications often reflect the Government ‘mood’ at the time, with policy changes that lean toward economic growth rather than environmental protection. Click here to view their report.

Wales: National Development Framework
The Welsh Government is preparing its National Development Framework and is seeking evidence and details of possible projects. Click here for details.

Housing
14 garden villages and 3 towns announced
Fourteen sites with potential to deliver over 48,000 homes have been announced as the first garden villages in England. A £6 million fund is available for the next two years which can be used to help deliver the projects. Three new garden towns will share a £1.4 million pot.

Affordable housing and starter homes
£7 billion has been released to expand the Government’s affordable housing programme; it will deliver more than 200,000 extra homes. Alongside this extra funding, the Government is expanding the tenures available through the existing affordable homes programme; they now include Affordable Rent, Shared Ownership and Rent to Buy. 2017 will also see the first homes built with Starter Homes Land Fund funding, they will be exclusively for first-time buyers between 23 and 40 years old and all sold at a discount of at least 20% below market value.

Woodland and Arboriculture
Woodland Carbon Fund
In the last edition we covered the Countryside Stewardship Woodland Creation Grant. A separate opportunity to receive funding for new woodland planting is also available from the Forestry Commission. The Woodland Carbon Fund supports the planting of multipurpose woodlands over 30 hectares in size, so is steered towards larger scale woodland creation with an emphasis on commercially productive species and public access. It offers a maximum grant rate of £6,800 per hectare or £8,500 per hectare for areas around urban fringes and for those who allow permissive public access. There is no set closing date for the scheme so we would advise landowners to apply for this grant funding at the earliest opportunity. Click here for details. If you would like more information, please contact Marc Liebrecht.

And finally….
Smart brollies
Everything is “smart” these days. Several companies have launched smart umbrellas with features such as triggering an alert on your phone if you leave it behind, or sensors to tell you if it is likely to rain. However having recently had a “dumb” umbrella disintegrate within three hours of purchase, the addition of Kevlar ribs sounds like a much smarter development.

Whilst every effort has been made to ensure the accuracy of this briefing, its information may not be comprehensive and recipients should not act upon it without seeking full professional advice.

If you have queries regarding any of the articles, please contact Andrew Teanby.

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