

22 February 2017

Welcome to Landscape

Highlights

Ingredients for Brexit success

Success is the theme for this year's NFU conference. In his opening address NFU President Meurig Raymond set out what it thinks are the main ingredients for success. Describing it as a fairly simple recipe, with three main ingredients:

- Unrestricted access to the European market
- Continued access to a competent and reliable workforce both pre and post farm-gate
- A new agricultural policy which assists in the development of an increasingly productive, progressive and above all profitable farming sector.

Making the case for government investment in farming Meurig quoted a new report by Development Economics which shows that for every £1 of support farming receives it gives back £7.40 to the British economy. By comparison both HS2 and Crossrail are expected to deliver only £2 back for every £1 invested.

He also called for clarity from Government, quoting a passage from the 'Brexit' White Paper as an example; 'regarding agriculture it said that "continued high levels of market access are in the UK's and EU's mutual interest". Whereas the financial sector had a very firm commitment in that same paper of having the "freest possible trade". So Secretary of State, what does that actually mean for farmers? "Continued high levels of market access are in the UK's and EU's mutual interest"... Is that a commitment? Is it a statement of fact?'

"I will fight your corner at every opportunity"

In her conference address the Secretary of State Andrea Leadsom promised farmers that she was very much on their side in her approach to the Brexit negotiations "I will fight your corner at every opportunity", and also announced that a 75% bridging payment will be released to any farmers who are awaiting BPS funds at the end of March. In relation to Brexit she said that she wasn't going to pre-empt the work the Government is doing to get the best possible deal for the UK, but with change comes opportunity and then outlined her ambition for a future, more prosperous farming industry, and the five principles we must follow if we are to achieve this. The key points are below.

Trade: Exports of British food and drink topped £20 billion for the first time in 2016, and there is a growing appetite for primary products like lamb, beef and dairy. But only one in five British food and drink producers are currently exporting. The EU is our most important trading partner, a relationship we are determined to uphold; and with zero tariffs and zero non-tariff barriers as our starting point we are striving for the best possible access.

Productivity and innovation: In relation to seasonal agricultural workers, the Government has heard loud and clear their importance, but we must remember a key factor behind the vote to leave was to control immigration. The Government wants to find out what kind of labour you need, in food processing as well as farming, whilst exploring the role innovation and technology can play in support of this.

The Environment: Alongside a fair return from the market, farmers must feel incentivised and rewarded for caring for the environment. The Government views productive farming and environmental improvements as twin goals, and want to incentivise as many farmers as possible. The Game and Wildlife Conservation Trust and Natural England Farmer Cluster concept was given as a great example.

Promotion of animal and plant health and welfare: Our standards are one of the most compelling reasons for consumers around the world to want to buy British. The Government's 2015 manifesto stated that 'high animal welfare standards will be incorporated into international trade agreements...'. The Secretary of State is committed to honouring this pledge – and working with industry to improve our welfare standards, whilst ensuring that we are not put at a competitive disadvantage.

Resilience: Farming is often tough because it faces a unique combination of risks, ranging from the price of oil and commodities, to the threat of flood and storm damage. The Government reaffirmed its commitment to the 25 year bovine TB eradication strategy and intention to roll the badger cull out further. Flooding, market volatility and disease such as Avian Influenza will all

be considerations when deciding what policies we need to help and support farmers to manage risk.

In her concluding remarks Andrea Leadsom announced that the Government has now stepped up its engagement to ensure as many views and perspectives as possible are considered. Throughout March and April they will be holding a network of events across the country where ministers and officials will be able to hear farmers views first hand.

Agricultural to residential conversion

Following its Rural Planning Review the Government is consulting on a new agricultural to residential use Permitted Development Right. It is proposed that this would allow conversion of up to 750sqm, for a maximum of five new dwellings, each with a floor space of no more than 150sqm. It is also proposing extending the existing Class Q Permitted Development Right so that it allows 465sqm to be converted rather than 450sqm. The Government also confirmed it will update planning guidance to make it clear that:

- Planning conditions on farm shops should be reasonable and proportionate
- Appropriate weight should be given to the agricultural requirements for proposed polytunnels
- On-farm reservoir development should be considered in the context of the increased drive for more water storage and that the disposal of excavated waste is an acceptable by-product.

Avian Influenza: New control measures announced for March

On 28 February the poultry housing orders will have been in place for 12 weeks, this means eggs and birds can no longer be marketed as free range if they continue to be housed.

England: Defra has announced plans to move to a more targeted approach so that the majority of birds can resume ranging outdoors. Higher Risk Areas have been defined which are close to substantial inland or coastal bodies of water, where significant numbers of wild birds collect. In these areas producers must either continue to house their birds or they may allow them outdoors into a fenced run which is fully covered by netting. If the birds are housed, eggs and poultry can no longer be sold as free range. It is estimated that 25% of poultry keepers are located in a Higher Risk Area. Outside these Higher Risk Areas producers have the additional option of letting their birds out into fenced areas provided; areas have been made unattractive to wild birds, where action has been taken to reduce contamination and the risk of coming into contact with wild birds has been assessed. Anyone planning to adopt this option needs to start preparation now. A map of the Higher Risk Areas can be viewed [here](#). All poultry keepers with more than 1,000 birds will also have to meet additional biosecurity measures including identifying clearly defined areas where access is limited and vehicles, equipment and footwear must be disinfected. Guidance on the new controls is available [here](#).

Wales: In Wales a new Prevention Zone is being introduced which will run until 30 April and require producers to complete a self-assessment of biosecurity measures on their premises. It will require producers to keep their flocks totally separate from wild birds by continuing to keep birds housed or they may be allowed to give their birds controlled access to outside areas, subject to meeting additional "risk mitigation measures". Details of the new arrangements are available [here](#).

Scotland: In Scotland the Prevention Zone will also be extended until 30 April and keepers will have the option of letting their birds outside, provided that they put in place enhanced biosecurity to minimise the risk of infection from wild birds.

Food and Farming

Avian Influenza: Latest on cases

A case of Avian Influenza has been confirmed at a poultry breeding rearing farm in Suffolk. A 3km Protection Zone and a 10km Surveillance Zone have been put in place around the farm and 23,000 birds will be humanely culled.

Red Tractor scheme tightens pig antibiotic control

To help manage the threat of antimicrobial resistance in pigs it will become a requirement from November for Red Tractor assurance scheme members to record their pig herd antibiotic use in an electronic medicine book (e-MB). The use of an e-MB is presently optional, but in November the previous two quarters will already need to be recorded, so it may be wise to start preparing now.

Grow-Up – Britain's first vertical farm

In a 768sqm warehouse close to London City airport you can find the UK's first vertical farm. The business uses aquaponics; nutrient rich water from fish tanks is used to feed racks of watercress, baby kale and pea shoots. The business was funded with £1.7 million of private investment and both EU and UK government grant funding. They are now looking for a second premises ten to fifteen times the size.

EU–Canada trade deal approved

The EU Parliament approved the EU-Canada free trade deal last week. The Comprehensive Economic and Trade Agreement (CETA) allows the EU to export 18,500 tonnes of cheese, provides improved access for wine, biscuits, cake, pasta and chocolate, while in return it accepts 50,000 tonnes of Canadian beef. It is estimated that 92% of EU food products can be exported duty-free to Canada. CETA can now be provisionally applied, but will need to be ratified by national and regional parliaments in due course.

Shadow Defra Secretary

Sue Hayman MP has been announced as the Shadow Environment, Food and Rural Affairs Secretary. She became an MP in 2015 and represents Workington in Cumbria. Prior to her latest appointment she was Shadow Minister for flooding and coastal communities.

New record set for wheat milling

In the last six months of 2016, 3.65 million tonnes of wheat was milled in Great Britain. This is 10% higher than the same period of 2015, and the largest amount since records started in 1997. Two factors are said to be responsible, low specific weights mean that a higher tonnage of grain has to be milled to get the same quantity of flour. Secondly, the figures include bioethanol use, and both the UK's major bioethanol plants are currently running, nearly a million tonnes was used by the starch and bioethanol industry.

BPS - Greening simplification

Measures to simplify and improve the environmental performance of CAP greening measures have been adopted by the European Commission. They include amendments to the minimum retention periods for catch crops and land lying fallow, plus the controversial ban of plant protection products use on productive and "potentially productive" ecological focus areas including nitrogen-fixing crops, land lying fallow, catch crops and green cover. The ban would apply for the minimum retention period for catch crops and land lying fallow. Before the regulations come into force they must be scrutinised by the European Commission and Parliament; they cannot amend them, only accept or reject so we should know the final rules in mid 2017. By default they would apply from 1 January 2018, but Member States can apply them back from 1 January 2017 if they wish.

Trailer weight will not be increased

The Department for Transport has said that it will not be increasing the maximum laden weight of an agricultural trailer from 18.29 tonnes. After the maximum combination weight of the tractor and trailer was increased from 24.39 tonnes to 31 tonnes in March 2015, it was hoped a revision of the trailer weight would follow so that trailers on the market can be used to their full capacity on the road.

Schmallenberg virus

The National Sheep Association have reported that at least 50 sheep flocks in England and Wales have been affected by the midge transmitted disease. Some flocks have reported 20% of their lamb crop lost.

Future CAP

Nearly 10,000 people have completed the EU's CAP consultation so far. Agriculture Commissioner Phil Hogan has recently defended the CAP system of direct payments, saying they offer basic income support and are an "effective" safety net. He clarified that, whilst he would like to see more resilience measures after 2020, he still believes direct payments have a role to play.

Morrisons to recruit more UK suppliers

Following a report by Professor Tim Benton of the University of Leeds, Morrisons has decided to increase their UK supply base and will seek 200 extra UK producers next year. Nearly half of UK food is imported and the supermarket wishes to strengthen its UK supply base to improve protection against weather and political related supply issues, and give their customers the option of more locally produced food.

Basic Payment Scheme

The 2017 Single Application Form for Welsh farmers will be available online on 6 March.

Brexit

Forgotten opportunities

The IPPR North think tank has proposed that there is no single rural economy and that farm subsidies should be more closely linked with individual local economies after Brexit. They recommend an integrative and devolved system of 'rural devolution deals' in which stakeholders (including LEPs and Local Government) negotiate with central government, setting out how they can best use their natural assets to contribute to national priorities and add value locally. There would be 'minimum obligations' related to food production and sustainability; environmental protection including flood prevention and decarbonisation; participation in the industrial strategy; and capital spending to support infrastructure and economic development, and then a 'maximum entitlement' of funding agreed. [Click here](#) to view the report.

Scotland: Seek to secure vital farming powers

Speaking at the NFUS conference, First Minister Nicola Sturgeon has said it is vital that Scotland secures powers to set its own agricultural policy after Brexit. Agriculture is a devolved matter so Scotland and not Westminster should set its own policies. She also called for the support payment guarantee to be extended beyond 2020, and promised that 100% of Scottish farmers would have access to superfast broadband by the end of the next parliament.

No farm policy research post referendum

A Parliamentary Question has revealed that Defra has not commissioned any specific research into likely trends in the agricultural and environmental sectors' international trade once the UK leaves the EU.

Environment

Wales: Glastir Advanced opens

An £18 million budget has been announced for the Welsh Government's highly regarded sustainable land management scheme Glastir Advanced. Glastir pays for the delivery of specific environmental goods and services aimed at combating climate change, improving water management and maintaining and enhancing biodiversity. The new round of funding will fund up to 340 contracts in 2018. The expression of interest window opens on 28 February and closes on 31 March 2017.

Sporting

Savills GWCT Shoot Benchmarking survey launches

Our industry leading shoot benchmarking can help shoots increase profitability, or manage the costs of their hobby. It includes information such as costs per bird put down, gamekeepers' salaries and prices charged per bird. Participants receive a detailed benchmarking report which compares their shoot's vital statistics to averages for similar sized shoots. It contains exclusive statistics and trends which are not published elsewhere. Participation is confidential and free, [click here](#) for more details and to access the e-survey.

General

Scotland: Improvements Amnesty Guidance Note

In 2014 the Agricultural Holdings Legislation Review Group recommended that there should be a time limited amnesty for tenants who do not have an agreed and up to date record of their improvements to

seek to get them agreed and recorded. The three-year amnesty was introduced by the Land Reform (Scotland) Act 2016 and will commence in mid-2017 (date to be confirmed). In preparation for this the Scottish Government's Independent Advisor on Tenant Farming has [published this guidance note](#). If you would like to discuss the Improvements Amnesty please contact [Jonathan Dymock](#).

Rural services – a “ticking time bomb”

The rural caucus of 40 Conservative MPs is pushing the Government to sort out the historic imbalance between rural and urban funding, warning members could rebel if it is not addressed. The issues presently in the spotlight are the Government's education funding reform, and the risk of rural Local Government finances coming under increasing pressure once business rates are retained for spending locally, as there are more small exempt business in rural areas.

Planning and development

Housing White Paper – Great Crested Newt

House builders have identified that the licensing system for protected species such as great crested newts is a significant impediment to timely housing delivery. Natural England has been trialling a new approach, which streamlines the licensing system, with Woking Borough Council. The Government now plans to roll this approach out.

Housing

“Fixing our broken housing market” – the Housing White Paper

To build the homes we need, more land needs to be released for housing development. The long-awaited Housing White Paper addresses this in three ways:

- A determination that housing requirements should lead to the right homes being built in the right places
- Strong new housing delivery tests for local authorities
- A process to go through before amending the Green Belt

As Chris Buckle from our residential research team explains in this [article](#), these changes push the weight of responsibility for housing delivery right back to local authorities and may influence their approach to Green Belt decisions. In the White Paper the Government also proposes an amendment to national policy so that when land is removed from the Green Belt, local policies should require the impact to be offset by compensatory improvements to the environmental quality or accessibility of remaining Green Belt land. Could this affect landowners unconnected with the development?

Woodland and Arboriculture

The Housing White Paper also contained proposals to strengthen the protection for ancient woodland, aged and veteran trees so that they are treated as being as valuable as Sites of Special Scientific Interest (SSSIs), National Parks and Green Belt land. This would mean that development impacting them should be more definitively restricted. At present mapping of ancient woodland is incomplete, so it is likely to need improving if the new policy is introduced. There is a 12-week consultation on the proposals.

Minerals and Waste

Environmental Permitting Regulations

The Environmental Permitting Regulations have been consolidated. [Click here](#) to view.

Definition of Waste: Code of Practice

A code of practice has been published which provides a clear, consistent and efficient process to enable excavated materials to be re-used on-site or moved between sites. [Click here](#) for further details.

And finally....

Wheat dispute led to micronation formation

The micronation, the Principality of Hutt River, 300km north of Perth in Australia has recently announced that a new Prince has succeeded its founder. The principality covers 30 sq miles of farmland, it has its own flag and currency, and a visitor's visa costs A\$4. It was founded in 1970 following a dispute with



the Australian Government over wheat subsidies, as you may imagine the Government and international community do not recognise the state.

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.

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