

Food & Farming

Mass exodus without price increases

If farmgate prices do not drastically increase, supplies of UK-grown fruit and vegetables could fall by up to a fifth. A new NFU report has warned that prices are not keeping pace with soaring costs of production, which could see many businesses go bust. Input inflation rates in the horticulture sector range between 11% for apples to 24% for onions, driven by an 80% increase in energy costs, a 75% increase in fertiliser prices and a 50% increase in diesel costs. The warnings have been echoed by struggling dairy, egg and pork sectors, with Promar International estimating a worst case scenario of a 10% to 20% drop in UK production without positive pricing action from produce buyers. Many farmers interviewed remain pessimistic however, stating that once prices were set for the season, there was a culture in the fresh produce sector of them remaining set for the season.

A similar message has emerged from a report by the British Free Range Egg Producers Association (BFREPA) which was based on a poll of its members. More than 70% warned they would leave egg production within a year if price rises were not forthcoming. A further 18% intend to make a decision at the end of the current flock. BFREPA has asked every major retailer to increase the retail price of free range eggs by at least 40p per dozen (or 80p per dozen for organic), to reflect a 50% rise in feed and 40% increase in energy costs. So far, none have implemented an increase and only two retailers had acknowledged the request for a price increase.

Maintain biosecurity standards, keepers urged

Bird keepers should maintain strict biosecurity measures, despite mandatory housing measures for poultry and captive birds being lifted from 00:01 on Monday 2 May 2022. Birds will still need to be housed if they fall within a Protection Zone and all poultry gatherings will remain banned. Those who intend to allow their birds outside are advised to clean and disinfect hard surfaces, fence off ponds or standing water and reintroduce wild bird deterrents.

Policy

Animal health and welfare bills receive Royal Assent

Three Acts that were committed in the Action Plan for Animal Welfare have become law. The Glue Traps (Offences) Act, introduced by Jane Stevenson MP, bans the use of glue traps, a widely available method of rodent control that can cause suffering. Under the Animals (Penalty Notices) Act, introduced by Andrew Rosindell, people who fail to properly care for their pets, zoo animals and livestock could face fines of up to £5,000. Finally, the Animal Welfare (Sentience) Act will create a new Animal Sentience Committee which will hold government to account on how well its decisions have taken account of the welfare of sentient animals. It will publish reports that Ministers need to respond to in Parliament.

Rural Britain is not a museum

"Rural Britain is not a museum. It is an important part of the national economy that deserves the chance to succeed". That is the message in a newly released [report](#) by the All-Party Parliamentary Group on the Rural Powerhouse. The report recommended policy changes in six key areas to unlock the potential of rural areas:

- **Planning:** amendments to the National Planning Policy Framework, with a particular emphasis on promoting affordable housing
- **Tax:** simplify the tax system and adjust it to encourage regenerative development and affordable housing
- **Connectivity:** accelerate Project Gigabit with funding and bring interested parties together
- **Farming:** address low farmgate prices, publish a long term timeline of application windows, and use the Future Farming Resilience Fund to ensure high quality advice can be accessed
- **Skills:** tailor support for rural areas to develop areas such as natural capital skills and community transport
- **Processes:** modify existing processes to ensure a rural presence is maintained across different levels of government

The group of MPs and peers estimate the rural economy is 18% less productive than the national average, however if the gap was reduced, they believe it could add £43 billion to the UK economy.

Revised biodiversity metric unveiled

Natural England has published Biodiversity Metric 3.1, after metric 3.0 received extensive criticism. One expert deemed the previous version to be “the single most dangerous thing to be done by a statutory agency I’ve seen in all my 40 years working in nature conservation”. Other academics described it as “deeply flawed” due to a failure to adequately consider the requirements of key species and its use of an “oversimplified classification of habitat type and quality as a surrogate for species abundance”.

The latest version is “unlikely to have a significant impact on the range of overall outputs generated, except for a small number of habitats”. Changes include clarification of guidance and alterations to condition criteria, e.g. for grasslands. The metric will be recommended to the Secretary of State to form the basis of the statutory biodiversity metric used to underpin future mandatory biodiversity net gain. A consultation is expected before the mandatory metric is introduced.

Environment & Natural Capital

Shift to large scale nature restoration

The Wildlife Trusts has published plans to have large, populated areas “butting up against large rewilded landscapes”, and to connect habitats on a vast scale. The charity says that by putting people “at the heart of vast nature restoration projects”, the decline of nature will not just be halted, but reversed. The charity acknowledges a “step change” in the funding available for nature’s recovery will be needed to finance the work. To do so, it intends to “explore new partnerships and business models, new ways of working, and alternate sources of capital and financing”, and looks set to rely on developing new revenue streams through digital fundraising. Plans for Gloucestershire illustrate the scale of the challenge: 13% of the county’s land is currently natural, so 17% more is needed to achieve the national ambition for 30% of land to benefit nature. The Gloucestershire Wildlife Trust’s plans include putting 69,000 hectares of the county into Nature Recovery Zones, increasing the size of the Trust’s estate by 50% and creating 5,000 hectares of new habitat by working with farmers and partners.

In Scotland, a rewilding company has already secured significant funding to make a similarly ambitious rewilding project a reality. Highlands Rewilding has secured £7.5 million in its opening funding round, potentially allowing the management of more than 650 hectares acres of land in the north of Scotland. More than 50 investors are involved, including a Hollywood screenwriter and a world champion mountain climber. The land to be rewilded includes the 485 hectare Bunloit Estate near Loch Ness and the 350 hectare Beldorney Estate, near Huntly in Aberdeenshire. To rewild, eco-entrepreneur Jeremy Legget is selling land to his newly formed company through a crowdfunding campaign.

UK will miss net zero target if farming scheme delayed

The NFU has been pushing for a delay in the implementation of the Environmental Land Management (ELM) schemes until 2025, arguing the schemes will see large numbers of farmers go out of business and negatively impact food production. The Green Alliance has recently published [analysis](#) suggesting such a delay would mean the schemes’ contribution to the fifth carbon budget would halve, and by 2035 emissions savings could be 60% lower than expected. The cumulative nature of emissions means the delay would leave a “substantial gap in the UK’s net zero plans”, adding pressure to other sectors to decarbonise. The report argues a delay in transitioning to ELM could in fact harm smaller farms as a rapid reduction in basic payment scheme (BPS) income for many small and less profitable farms would lead to reductions in the application of inputs like fertiliser and so increase profit. The report adds, “if these small farms were paid for the public goods (in the form of nature) they improve on their farms, it would be likely to increase their farm profitability, compared to the BPS”.

Property & Development

Energy criteria high on homebuyers’ checklist

Homebuyers are paying more for properties with low-carbon or energy saving technology. Savills Research showed that six out of 10 (59%) prospective buyers are willing to pay more for a home powered predominantly by renewable energy. Seven out of 10 surveyed said a home’s EPC played an important role in their decision to buy a property, with almost a third (31%) saying they attribute more importance to this than they did a year ago. Low-carbon technologies still cost a significant amount however. “In many areas housing values would not necessarily support the investment in newer and cleaner forms of heating,” says Lawrence Bowles, adding “it also highlights the enormous challenge set by the zero-carbon agenda targets and the uphill battle ahead that we face”. That challenge is no more apparent than in rural areas. For more information, consult our Spotlight on the [Rural Homes Energy Challenge](#).

Energy efficiency is likely to remain high in the list of priorities for some time, as energy prices in Britain are expected to remain significantly above average levels for the rest of the decade. Analysis by Cornwall Insight suggests that prices will remain above £100 per megawatt-hour (MWh) annually until at least 2030. The average price in the five years to 2021 was £50 per MWh in winter and even lower in the summer. This does mean that prices are forecast to fall far below those seen last winter (£231 per MWh). Prices will likely dip below £150 per MWh by the end of the year but return above the same mark by winter 2025 as nuclear power stations close.

Offshore wind connections to be reformed

Offshore wind farms will require less onshore infrastructure in the future as part of a bid to get coastal communities onboard with plans to expand renewable energy assets. Recent schemes have seen long distance underground cables laid across farmland in counties such as Lincolnshire in order to access the national grid. Instead the government will establish future offshore wind Multi-Purpose Interconnectors (MPIs), which, as well as reducing the need for onshore infrastructure, could also enable Britain to export excess wind energy to neighbouring countries and offer significant cost savings. The plans were announced as part of the government's response to its Offshore Transmission Network Review. Ofgem is launching an investment window for an MPI pilot project in mid-2022 with the prospect of the first MPI project being operational in the latter part of this decade.

Business & Economy

Strategy to grow exports by 30%

The NFU's strategy for UK food and drink exports sets out an ambition for the sectors to grow by 30% by 2030, bringing the total value of exports to over £30 billion. The potential for growth is in part created by the expectation that by 2050 there will be almost two billion extra middle class consumers in the world. The ["30, 30, 30+" strategy](#) includes a 10 point plan to increase the UK's food and drink exports:

1. Understanding our strengths
2. Identifying the best overseas markets for success
3. Unlock target markets
4. Invest in technical expertise, both at home and abroad
5. Pursue domestic innovation and investment to improve export capacity
6. Ensure domestic infrastructure supports international trade
7. Create domestic support for exporters
8. Create a trade information one-stop-shop for agri-food exports
9. Review marketing and promotional activities
10. Strategic co-ordination and ownership

The strategy also argues the government should, as a minimum, match fund Agriculture and Horticulture Development Board (AHDB) levy payers' contributions for export activity. This would likely be welcomed by the AHDB, which has just had a HMRC VAT ruling reduce its available budget.

Other Rural News

Natural history GCSE unveiled

A natural history GCSE will be available to study from September 2025, focusing on how pupils can protect the planet. The Department for Education said the qualification would allow pupils to learn about organisms and their environments, as well as environmental and sustainability issues. Pupils do partially cover these topics as part of other subjects such as geography and science, however the Department for Education says this qualification will "offer young people a chance to develop a deeper knowledge and understanding of this amazing planet, its environment and how to conserve it". The GCSE is one of the first to be launched since the reform of the qualification in 2017.

And finally...

Trafalgar Square rewilded

One day, Trafalgar Square was a 19th century public square. The next day, it was an overgrown garden filled with more than 6,000 plants, flowers and trees. The day after that? Back to the 19th century. The installation was developed by Innocent Drinks as part of its Big Rewild campaign which looks to protect and preserve two million hectares of land. A team of gardeners and horticulturists worked through the night to convert the 600 square metre space, complete with a replica lion statue covered in live foliage, turf and meadow. In that single day, three million seeds were handed out as plantable seed papers so the public could start their rewilding journey.

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