

Food & Farming

Worst bird flu outbreak ever in the UK

The UK is dealing with its worst ever bird flu outbreak, with over 200 cases confirmed across the country in the last 12 months. As a result Defra has declared an Avian Influenza Protection Zone across the whole of the UK. It has also announced plans to alter the existing bird flu compensation scheme, allowing compensation to be paid to farmers from the outset of planned culling rather than at the end. A relaxation in marketing rules is also being introduced in England, meaning farmers who breed turkeys, geese or ducks for their meat will have the option to slaughter their flocks early and to freeze these products, which can then be defrosted and sold to customers between the 28th of November and the 31st of December 2022. Gressingham Foods' entire festive goose flock has been lost to avian flu this year and Kelly Turkeys has already lost over 300,000 turkeys. The UK produces 11 million turkeys every year, with just under two thirds of these consumed over the Christmas period. Defra has confirmed gamebirds can still be released within the Avian Influenza Protection Zone, however not in Norfolk, Suffolk and parts of Essex where there is a bird housing order in place, meaning the release of gamebirds is banned.

Climate smart nitrogen creation receives substantial investment

Nitricity is a US start-up focused on the natural creation of nitrogen fertiliser from air, rainwater and renewable energy. Typical nitrogen fertiliser production relies on coal or natural gas, however in the natural world, lightning breaks down nitrogen in the air and rainwater brings it to the soil as nitrate. Nitricity replicates this process by making its own 'lightning'; it installs an irrigation pump extension in a container on a farm, the container then takes electricity from an adjacent solar array, containerises the lightening produced, and uses it to create fixed nitrogen in a solution with water. It then injects the solution into the farm's existing irrigation system. This technology, deployed at scale, could reduce the environmental consequences and costs of conventional nitrogen fertiliser. The start-up has closed a \$20 million Series A round for its technology. The funding will go towards scaling up the business as Nitricity prepares its technology for the market.

Policy

Third Prime Minister of 2022 – what does Mr Sunak mean for the rural sector?

The UK now has its third Prime Minister of 2022. Rishi Sunak, aged 42, is Britain's youngest Prime Minister since 1812 and began his parliamentary career in 2015. Mr Sunak is the member of parliament for Richmond (Yorks) and has been keen to highlight his support for farming communities, declaring in his August 2022 leadership campaign that he intended to lead a 'pro farming government'. Liz Truss' 44 days in Number Ten caused significant uncertainty for the rural sector, with discussions and leaked concerns over a review of the Environmental Land Management scheme and the proposed scrapping of Biodiversity Net Gain and Nutrient Neutrality requirements. The challenge for Mr Sunak will be providing certainty and clarity to land managers who are facing increasing economic and environmental pressures. Mr Sunak believes 'farming and the environment go hand in hand' and are not mutually exclusive, and he has previously said he is 'entirely committed' to the Environment Act. He voted for Brexit and has pledged to 'get rid of red tape' and now wants to leverage new trade deals for farmers. Whether Mr Sunak will prioritise his commitment to the environment or slashing red tape is yet to be seen. In his first day as Prime Minister, he restored the ban on shale gas fracking, which was a relief for many environmentalists, however he also announced that he would not be going to COP27, a decision which was met with criticism and has now been reversed. Mr Sunak has a hard task ahead of him and the key question now is whether the rural budget will be a victim of expected spending cuts in the autumn statement due to be released in three weeks' time.

Therese Coffey postpones water and biodiversity target publication

Mr Sunak brings with him a new cabinet, and Dr Therese Coffey has replaced Mr Jayawardena as the Secretary of State for Environment, Food and Rural Affairs. Dr Coffey has been MP for Suffolk Coastal since 2010. She studied chemistry at university and has previously worked for Mars and the BBC. Within Westminster, Dr Coffey has experience of the rural sector – she sat on the Environmental Audit Committee for three years, and also spent three years within Defra, first as a Parliamentary Under Secretary of State, before being promoted to Minister of State in 2019. Dr Coffey has talked about farming issues regularly in the House of Commons, debating topics such as water infrastructure, livestock welfare, neonicotinoids, and pig farming supply chains.

Despite voting to remain in the 2016 Brexit vote, Dr Coffey has voted in favour of the Retained EU Law Bill, which gives the government the power to revoke and repeal laws carried over into domestic legislation following Brexit. This includes the Habitats Regulations and other legal standards for water and air quality, pesticide levels in food and animal welfare standards. Like the Prime Minister, she is set on 'cutting red tape'. Dr Coffey has already had to announce that the government will delay the publication of clean water and biodiversity targets, putting it in breach of the Environment Act. Dr Coffey published a ministerial statement on Friday confirming the targets would not be released on 31st October as promised, due to the large volume of responses to the target consultation.

Environment & Natural Capital

National parks leverage private finance for peatland restoration

The UK's national parks have agreed a £70 million private finance deal to fund the restoration of degraded peatland by selling environmental credits to businesses. The 15 protected landscapes are working in collaboration with Palladium, an international advisory and management company, and Respira International, a carbon finance business, in order to create the largest carbon credit investment fund in the country for peatland restoration. Farmers and landowners within national parks have access to the money in order to restore degraded peatland and generate carbon credits. The two year £70 million fund is much larger than the £50 million Whitehall has earmarked for peatland restoration in England between 2021 and 2025. In comparison, Scotland has committed to spend £250 million on peatland restoration from 2018 to 2028.

The investment fund will be selling carbon credits primarily to UK companies that have set net zero targets. Land managers will receive a guaranteed minimum price for their peatland restoration activity, and if the value of carbon increases, this increase will be shared with land managers too. Naomi Conway, partnerships director for National Parks, said 'the Respira deal is important because it demonstrates the high volume demand for high-quality, verified UK-sourced carbon credits'.

Droughts impacts likely to remain beyond spring 2023

The National Drought Group has forecast that average UK rainfall levels over winter will not be sufficient to avoid drought next year. Projections are for a dry autumn and winter, with many water companies suggesting impending drought conditions will remain beyond spring in some areas – predominantly the east of the UK – if rainfall is below average. The group, comprising senior decision makers from the Environment Agency, government, water companies and farming and environmental groups, also discussed actions needed over the next six months to sustain essential water supplies in preparation for next summer. This includes water companies accelerating infrastructure plans to improve the resilience of water supplies. For the first time in six months, September rainfall across England as a whole reached average levels. However, due to soils remaining drier than usual, this has made little difference to reservoir levels and most of the country remains in drought. Even with typical rainfall over winter, the country could still experience environmental impacts in 2023 due to a lag in the environmental response to the dry weather.

Property & Development

Green Finance Accelerator launched to drive energy efficiency in homes

The government has launched The Green Finance Accelerator to help banks, building societies and the wider finance industry to create more green finance products for homeowners. The government is keen to scale up the green finance market and provide households with more choice of affordable finance options in order to retrofit their homes and help them spend less on energy. The Green Home Finance Accelerator has £20 million available for lenders and other organisations to develop, test and pilot new lending products which provide affordable capital to help people make their homes cheaper to run and reduce their emissions. In total the government is providing £4 billion between 2022 and 2026 to improve the energy efficiency of buildings.

Scotland: Tenant Protection Act becomes law

Emergency legislation giving tenants increased protection from rent increases and evictions during the cost of living crisis has become law in Scotland. In-tenancy rent increases for private and social sector residential tenants have been capped at 0% from 6th September 2022 to at least 31st March 2023, effectively freezing rents for most tenants during this period. The moratorium on evictions operates by limiting the enforcement of eviction orders for a maximum of six months. Evictions will be allowed to proceed in limited circumstances including cases of anti-social behaviour and criminality, cases of abandonment, to avoid empty properties and additional exemptions to support landlords who find themselves in financial hardship. They will also be allowed in cases of substantial rent arrears, to prevent tenants building up unmanageable debt. Further details are available [here](#).

Business & Economy

Frugal shopping sees the return of Spam

According to the Grocer, 72% of UK shoppers say they are now being more mindful about their spending, as a result of the cost of living crisis. Cheaper foods are having a comeback in supermarkets, with a rise in demand for Spam (Waitrose reported sales of canned pork and ham have increased by 36% in the year to September 2022). Meanwhile, sales of fish heads are up by 34%, while sales of beef shin, ox cheek and lamb neck were up by 23%, 9% and 4% respectively. Cheaper offal is proving a popular choice for those who are keen to reduce the cost of their shopping baskets, as well as environmentally conscious zero-waste shoppers and proponents of nose to tail eating. This trend could offer a potential market opportunity for livestock producers looking to add value to their carcasses in the future.

Other Rural News

Wild bison born in the UK for the first time in millennia

A surprise bison pregnancy occurred at the West Blean nature reserve, which is owned and managed by the Kent Wildlife Trust. Three bison were released into the wild at the nature reserve this July as part of a rewilding project, and to the surprise of rangers, a fourth arrived earlier this month. Bison do not display obvious signs of pregnancy, hence why it went unnoticed. European Bison were on the brink of extinction after the First World War, however their numbers are now over 9,000, thanks to recovery efforts across the continent. The bison in this project in Kent have been introduced to help restore the natural biodiversity of the landscape and create new habitats for other species to thrive.

And finally...

World Record hedge laying attempt in Hampshire

More than 60 hedge layers from around the UK and Ireland met in East Hampshire to attempt to set a Guinness World Record for the longest stretch of hedge ever laid in 12 hours. The event was held on 1st October at the Rotherfield Park Estate, and resulted in a remarkable 555.4 metres of hedges laid in approximately seven and a half hours, at a speed of almost 80 metres of hedge laying per hour. Conditions made it hard to compare this record attempt to the previous hedge laying record as the estate's hedges were much older than the optimum, and combined with an exceptionally dry spring and summer, this meant the stems and trunks were extremely thick and brittle, which apparently proved a challenge for even the most seasoned of hedge layers.

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