

Food & Farming

Agri-environment schemes to be paid

Farmers and landowners will receive overdue Environmental Stewardship (ES) and Countryside Stewardship (CS) claims by the end of July. Because some of these payments date back as far as 2015, Michael Gove has said he will investigate if interest can be paid to those who have been waiting. RPA Chief Executive Paul Caldwell said the RPA wanted to “restore confidence in these schemes which are so important for our environment”. All unpaid claimants will receive an update on their payment. Once a claim is processed, the claimant will receive further correspondence to confirm any necessary adjustments.

The NFU has said “we have been calling on the Government to sort this out” and added “we will continue to monitor the situation to make sure these overdue payments are made”. The TFA called for the Government to be “held to account for its maladministration”. It went on to say “the UK has been a trailblazer in the development of agri-environment schemes... we must re-gain traction on this without delay”.

Both Natural England and the Rural Payments Agency have appeared before the Environment, Food and Rural Affairs (EFRA) Committee to give [evidence](#). In a [letter](#) sent to the Committee before the hearing, Mr Caldwell said “whilst we’ve been working hard to solve the underlying issues for the Stewardship schemes, we know there is still some way to go”. He also highlighted that the RPA had made advanced CS 2018 payments to 95% of claimants by 31st March 2019 and that 2018 was the most successful year for BPS since its introduction.

Savills Global Farmland Index

Farmland values have grown by an average of 12% per year over the past 16 years according to the Savills Global Farmland Index. Much of this was fuelled by the highs of the early 2000s with growth softening after the 2008 financial crisis. The emerging markets of Central Europe and South America saw the highest levels of growth. Demand for farmland is still expected to increase across the world, as food and energy security concerns driven by climate and population pressures increase on all nations. While the continuous strong performance of farmland will attract investors, our analysis shows an increasing trend of restricting foreign investment among nations.

With such pressures, it is unsurprising that “sustainable agriculture has become a significant issue” but “remains a challenging aspiration”. Accountability for land ownership is weak in many jurisdictions but there is increasing pressure from citizens and shareholders alike to improve and “real progress looks more likely”. The publication identifies three areas to investigate in the future:

- Understanding resources in more depth
- Investing in technology to improve efficiency and value
- New income streams

Pursuing these themes will give “improved profitability and investment performance in both income and capital”.

Defra not spending on ELMS

Upland landscapes are at risk because Defra appears unwilling to spend the £5 million required to get its own ELMS scheme tested. Some National Parks have even been asked to fund the trials themselves. Robin Milton, chair of the Exmoor National Park Authority, says the Government “do not have any chance of managing to get a new ELMS in place on the timescale they are suggesting”. His comments echo similar findings by the National Audit Office. Julia Aglionby, chair of the Upland Alliance, asked “why is spending £5m so difficult to build a future policy?” and added “I do not think they thought this through”. Farming Minister Robert Goodwill said Defra will be testing the policy to “make sure we get it right” and will “[implement] the lessons learned into the final scheme”.

Badger vaccination grants open

Applications are open for this year’s Badger Edge Vaccination Scheme (BEVS). Defra has set aside £300,000 for those wishing to carry out badger vaccinations in the Edge Area for Bovine TB in England. The Edge Area consists of Berkshire, Cheshire, Derbyshire, Oxfordshire and Warwickshire. Vaccinating badgers in this area between high

and low risk regions aims to prevent TB spreading further. Successful vaccination projects will receive at least 50% funding towards eligible costs over four years.

Satellites to stop soil run-off

Satellite technology will identify sites where soil run-off is most likely before farmers are made aware and offered advice. Herefordshire Council and the Environment Agency are implementing the measures after heavy rain created hazardous road conditions and pollution incidents. Better soil management could help to avoid similar incidents in the future and reduce the effects of flooding. Herefordshire's fine red soils are highly mobile in heavy rain which is of particular concern to ecosystems in the River Wye.

Policy

National Food Strategy introduced

Is England's food system fit for the future? Henry Dimbleby, a food entrepreneur, has been appointed to find out. Environment Secretary Michael Gove said "the time is right for us to look afresh at our food system". NFU President Minette Batters said the NFU had already worked with Mr Dimbleby on the scope of the food strategy review and she was "delighted" much of that had been included in his work.

Mr Dimbleby will look at all aspects of the food system, including:

- The resilience and sustainability of the agricultural sector
- Its contribution to both urban and rural economies
- Food standards and affordability
- Its impact on the natural environment

His research will culminate in a national Food Strategy document to be published in 2020. A formal call for evidence will be made soon.

Hunt pledges £6 billion for farmers

Jeremy Hunt has announced a £6 billion safety net to cover the costs of tariffs for farmers in case of a no-deal Brexit. The Conservative leadership contender says no deal will create uncertainty for farmers and he will help to smooth that out as PM. Mr Hunt has compared his plans to the bail-out for banks that followed the 2008 financial crisis. His leadership rival, Boris Johnson, has recently made similar pledges. During a meeting with Cumbrian farmers, Mr Johnson said "price support, efficiency payments, whatever" would be used to support the rural community.

Bill to change culling laws

A draft bill to close loopholes allowing mass culls of mountain hares in Scotland has been unveiled. Green MSP Alison Johnstone's Member's Bill is open for public consultation until mid-September. The Green Party claims 25,000 hares were killed in one year, equivalent to up to 14% of the population. Ms Johnstone said "we need to ban these culls. The voluntary restraint urged by the Government's nature agency has proved inadequate". The bill also looks to tighten laws on fox hunting.

Scottish Land and Estates (SLE) said evidence rather than ideology should be the basis for any future changes in regulations. The issue is closely related to grouse moor management as the habitat provided is ideal for both hares and grouse. David Johnstone, SLE chairman, said management of grouse driven moors "appeared to provide a net benefit to mountain hare populations, even after population control". He also pointed out that there was no mention of deer or rabbit culling which he says is done "for broadly the same reasons as hares are managed".

Permanent Secretary at Defra appointed

Tamara Finkelstein has been appointed Permanent Secretary at Defra. After serving as Defra's Director General for EU Exit, Ms Finkelstein was appointed as interim Permanent Secretary. She will now remain in the role and has said she is "truly thrilled to be leading Defra at this time". Mr Gove said she "is an outstanding public servant" and will give "superb leadership". The CLA welcomed the announcement and said "she has ably seen the department through a difficult and busy period".

Environment & Natural Capital

VAT up on renewables

VAT charged on energy saving materials (ESMs) will be changed to comply with EU rules. Until 1st October 2019, a reduced rate of 5% will be applied, as it has been since 1998. This was specifically for ESMs, such as solar

panels, insulation and wind turbines, that were installed. The EU Court of Justice decided the scope of this reduced rate infringed on EU-wide rules in 2015. After October, a 20% rate will be imposed with some exemptions for housing associations, those over 60 and those receiving certain benefits. The Solar Trade Association say they are “bitterly disappointed” and “urge a considered debate”. A [briefing paper](#) has said the Government expects the majority of solar panel installations to be unaffected.

Rural communities go green

Rural areas could receive a share of £10 million for green initiatives like solar battery storage and wind turbines. Over 150 communities have already gained funding from the Rural Community Energy Fund and generated enough electricity to power the equivalent of 30,000 homes. Projects can also earn income from the schemes by selling electricity back to the grid. Community projects can apply for feasibility grants of up to £40,000. Viable proposals will then be considered for further grants of up to £100,000 for business development and planning applications. Applicants should contact their Local Energy Hub to apply.

Repurposing grass verges

Lincolnshire County Council will allow grass verges to grow until the end of summer. The cuttings will then be sold to the National Grid to generate energy through anaerobic digestion. It is hoped the wild verges will encourage pollinators by creating a “nectar network” and go on to benefit arable farmland. Money generated from cuttings will be put back into maintaining the verges next year but cuttings could also be used for compost in other areas. It is hoped other Councils will take up the idea and a “tool kit” has been created for any that are interested. A similar scheme is also being implemented in Dorset where £93,000 of savings have been made. Although the cuttings are not used for power, the Council there also no longer uses topsoil when creating new verges, as the subsoil generates grass of greater use to pollinators and also costs less to manage.

In Rotherham, more than eight miles of grass verges have been replaced with flowers; it is estimated to have saved the local Council up to £25,000 over the past four years. Campaigners in Manchester have also started to sow seeds at 16 roadside sites. Sandra Macdonald, the City Council’s transport spokeswoman says similar “pocket parks” have also been endorsed. She said they bring “a broad diversity to the city” and believes the initiative could “easily” be extended to other areas.

Tackling climate change in food

A scientific consortium has created a £3.5 million fund to identify new solutions to climate change linked to food and farming. Over a nine year period, 15 successful ventures will receive up to £140,000 each plus three years of training from experts in the field. Around five ventures will be chosen from each of the three rounds of 30 entrepreneurs and businesses. The scheme, called SHAKE Climate Change, is funded by the Societe Generale UK Foundation and led by Rothamsted Research.

Property & Development

Calls for land reform change

Homeless charity Shelter has produced a [report](#) advocating lower values for land entering development. Shelter say the value of land has increased by 544% in the past 20 years which impedes the creation of affordable housing. Shelter Chief Executive Polly Neate says that “every scrap of land for new communities and homes is maximised to deliver the highest possible return for the landowner”. She believes “if we shared that value more evenly between communities and the landowner we could address our housing emergency and get back to doing development better”.

Crispin Truman, Chief Executive of CPRE, outlined how land reform could benefit the countryside. The report states agricultural land value jumps 108 times when residential planning permission is granted. Mr Truman argues that the “profit-driven system... will not solve the housing crisis”. Instead, removing the “hope value” would bring down costs and allow local authorities to compete with larger developers for land for their own housing schemes.

One proposed method of reducing costs in rural areas in particular is to model future policy on rural exception sites. Such sites are situated on the edge of existing settlements and are released for development on the condition that the homes built remain affordable. Andrew Potter, Chief Executive of Hastoe says “the rural exception site model is an ‘exception’ to planning policy and can only be used in certain circumstances”. He believes “we need to protect this model and see how its principles can be rolled out more widely”.

Business & Economy

China agrees market access

British beef producers could be £230 million better off in five years after China agreed to market access for their products. The UK-China Beef Protocol was signed as part of the tenth Economic and Financial Dialogue between the two nations. Beef trade was banned by China in 1996 but could resume before the end of the year. China recently approved exports from five British pork plants in a deal worth £70 million, with more approvals expected this year. The deals will add to the UK's eighth largest export market which is already worth more than £620 million. Farming Minister Robert Goodwill said the deal was a "major coup for our world-class food and farming industry".

'Natasha's Law' introduced

A new law will require food businesses to include full ingredients labelling on all pre-packaged food. A consultation on the issue showed overwhelming support for the measure with 70% of respondents choosing full ingredient labelling from four options. Up to now, food prepared on the premises in which it is sold is not required to specify allergen information. Changes come after the death of Natasha Ednan-Laperouse who suffered an allergic reaction to a product without full labelling of ingredients. Michael Gove announced that the legislation had been brought forward to let allergen sufferers eat out with more confidence. Legislation will be introduced by the end of summer and come into force by the summer of 2021 to give businesses time to adapt.

Best retailers according to suppliers

Aldi was ranked highest by suppliers who were asked if dealings were conducted "fairly, in good faith and without redress". Aldi went on to top a league table created by the Groceries Code Adjudicator (GCA) for the sixth consecutive year. The league monitors compliance with the groceries supply code of practice (GSCOP). GSCOP rules hope to ensure any retailer with a turnover of more than £1 billion treat their suppliers fairly. Sainsbury's and Waitrose finished second and third respectively of the 12 food retailers surveyed. It was the first time B&M had been included in the table but they fared poorly, finishing bottom with Iceland. Ocado also appeared for the first time and finished mid-table. More than 1,400 direct suppliers were involved as well as 114 indirect suppliers.

Groceries Code Adjudicator Christine Tacon announced she would be stepping down from her role in June 2020. She also set out a new approach to compliance with GSCOP to encourage retailers to "build for themselves a whole-organisation approach to Code compliance". Ms Tacon added "this is the best way to make sure that breaches of Code don't happen". The announcement came after the Government launched its review of the GCA between 2016 and 2019. It begins with a [consultation](#) that is inviting views by 12th September.

Other Rural News

New road sign for wildlife

A new road sign is to be introduced in areas where collisions involving animals are common. Between 2005 and 2017, 14,173 people were injured in such accidents and 100 killed. The triangular sign featuring a hedgehog will be placed in high risk areas. Transport Secretary Chris Grayling has called for local authorities and animal welfare groups to identify accident and wildlife hotspots where the signs could be located. Besides avoiding accidents, it is hoped the measure will help to reverse the decline in wildlife numbers. Hedgehog numbers have halved since 2000. The sign will complement similar signs such as those featuring toads, deer and livestock.

And finally...

'Big H' back where he belongs

A cuddly toy stolen from a charity at the Royal Highland Show has been reunited with its owners. The 4ft Highland cow toy, called Big H, is one of only 12 of his size in circulation and estimated to be worth £750. He was the star prize for a charity raffle raising money for a Christmas dinner for 100 people who would otherwise spend the day alone. Having been stolen from a car, a Facebook appeal was launched to try and locate the prize. Fortunately Big H was later spotted near Blairhill train station and recovered by Network Rail staff. The owners were "over the moon" to see Big H returned and said "he really is special because he has brought so many people together".

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Landscape | **Issues shaping the future of rural estates, agriculture and land management**

The Savills logo, consisting of the word "savills" in a lowercase, sans-serif font, with the 's' and 'a' in a darker shade than the 'v' and 'i'.

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