

Food & Farming

Key Defra policy announcements from the NFU Conference

Farming minister Mark Spencer delivered a keynote speech at the National Farmers Union (NFU) annual conference in Birmingham. At the conference, Mr Spencer touched upon multiple topics, including badger culling, Environmental Land Management (ELM) and seasonal workers.

Badgers and bTB

On the topic of bovine tuberculosis (bTB), Mr Spencer said “we have to use every tool in the toolbox”. With his audience seeking clarification of an answer that seemed at odds with current policy direction, Mr Spencer went on to say, “where the science tells us that the culls are necessary we will continue, it is the right thing to follow that science”. He was bullish about the prospects and impact of rolling out a bTB cattle vaccine and was clear that a future strategy could combine it with vaccination of badgers and limited badger culling as well.

Farm inspections

Under ELM the government is keen to create a supportive culture and work with farmers to help make sure they are doing the right thing. Mr Spencer was keen to point out that it will not be looking for a reason to fine farmers when monitoring the implementation of the ELM schemes but will “come down hard on those who let the side down with genuine, serious breaches or fraud”. Satellite monitoring is likely to play an increased role with the minister saying it can easily be used to identify crop types, land use and whether hedgerows have been cut.

Seasonal workers

15,000 extra visas will be made available this year for seasonal workers, taking the total to 45,000. There is the possibility of 10,000 more if the need can be demonstrated including a guarantee they will work a minimum of 32 hours each week and be paid at least the national living wage of £10.42 an hour.

Farm productivity

“Helping farms invest in new technology as well as bringing in nature-friendly schemes will support the future of farming,” said Mr Spencer. This was a prelude to the announcement of more than £168 million in grants that will be delivered through the Farming Innovation Programme (FIP) and Farming Investment Fund (FIF). These funds are designed to drive innovation, support food production, improve animal health and welfare and protect the environment. Under the FIP the Farming Equipment and Technology Fund 2023 Productivity and Slurry portal is now open and accepting applications for equipment grants. If you would like to discuss the fund please contact [Georgina Sweeting](#).

Abattoir aid

Mr Spencer began his speech by pointing out his background “in dairy farming – four generations deep in Nottinghamshire, in the rural Sherwood constituency”. This is an area where there are no longer any small abattoirs which he highlighted are important for reducing food miles and for farmers who focus on speciality and local breeds. To help address this funding to help smaller abattoirs was announced and will be launched later this year.

Keir Starmer: Represent the country and countryside

Sir Keir Starmer’s appearance at the NFU conference was the first by a Labour leader since 2008, a fact he said is “indicative of the perceived distance that’s grown up between Labour and the countryside”. He said it was a perception that “we won’t ignore any longer... because no Party can claim to represent the country, if we don’t represent the countryside”.

Sir Keir outlined a number of policies if Labour was to assume power after the next election. He committed to 50% of all food purchased by the public sector being food produced locally and sustainably, amounting to “£1.2 billion of public money spent on quality food that is genuinely better for peoples’ health”. He added to this by saying “food security is national security” and recognised that sustainable food production is farming’s “ultimate goal”. The Labour leader said the NFU’s net zero aspirations for 2040 were “tough, but right” and that environmental aspirations should

not be pushed too far down the pecking order, despite current economic conditions. “You can have both,” he asserted.

Milk prices slashed

Milk producers will be paid up to 10p per litre less in March. This is on top of decreases that have occurred since the start of the year; in February, the actual milk price equivalent fell 5% to 33.5p per litre, and the milk for cheese value equivalent dropped 11% to 39.5p per litre. Oversupply is being blamed, with deliveries in February increasing 3% year-on-year. There is some good news: dairy futures have gained in the past month, meaning the fall is showing some signs of abatement.

Fuels of the future

In July 2021, the government published its Transport Decarbonisation Plan to outline a plan towards achieving a net zero transport sector. A House of Commons Committee report has now been published on the topic, recommending a policy of making strategic investments in new technologies that offer evidenced solutions to lowering emissions and consequently removes uncertainty for private companies. The report states the current “technology neutral” position has been a barrier to investment due to the risk of investing in a technology that may not be the eventual ‘winner’.

The latest Market in Minutes from Savills Research considers the [Future of Farm Fuels](#). Retailers, food processors and the government are increasingly expecting farmers to improve the sustainability of their businesses to help cut the carbon footprint of the final product. The relative cost of diesel compared to its sustainable alternatives is also likely to increase, accelerating the case for switching to an alternative. This Market in Minutes assesses the emerging contenders for the farm fuel of the future and provides a matrix to help farmers evaluate which option may suit their system.

Policy

Shakeup of Natural England, EA, RPA etc shelved

Defra has confirmed controversial plans to shake up its arms-length bodies have been shelved. Its Nature Recovery Green Paper said it wanted to reduce duplication between its agencies, including the Environment Agency and Natural England. Smaller scale changes are now planned and are likely to involve changing service agreements so staff across the agencies work together more effectively.

Updated strategy to combat non-native species

The Invasive Non-Native Species Strategy has been updated with a commitment to reduce establishments of non-native species by at least 50% compared to 2000 levels. This is in line with the internationally agreed Convention on Biological Diversity Target six on Invasive Alien Species. Non-native species are one of the top five drivers of biodiversity loss globally and are estimated to cost the British economy £1.84 billion each year. There are currently around 2000 non-native species in Britain with 10-12 new species establishing themselves every year. Other actions include increased capacity for inspections at the border and post-border and further assessment of the most high-risk routes.

Environment & Natural Capital

Biodiversity Net Gain launch plans updated

Defra has updated its Biodiversity Net Gain (BNG) policy position following a 12 week consultation process launched in January 2022. Alongside a summary of consultation responses, it has updated its general guidance on BNG, including how to sell biodiversity units to developers as well as clarification on the stacking of BNG and environmental payments on land. The latest announcements provide much needed clarity ahead of the November 2023 start date for BNG, although some key considerations for landowners remain unresolved. Our latest briefing note on BNG covers the key clarifications and changes, which include:

- The introduction of new exemptions including a *de minimis* area and for householder applications
- A delay on mandatory BNG for small sites until April 2024 and Nationally Significant Infrastructure Projects (NSIPs) until November 2025
- Confirmation that for phased development, a new biodiversity gain plan is required ahead of each phase of the development
- Confirmation stacking is permissible for nutrient credits alongside biodiversity units
- Biodiversity units can be created from land creating carbon credits if there is additional enhancement to the existing obligations.

If you would like to discuss creating a BNG site or a requirement for BNG units, please contact [Jonny Campbell](#).

Scotland: Funding to help nature projects

Up to £240,000 will be offered to organisations to attract investment in projects that can improve the natural environment. Such projects might include woodland creation, marine enhancement and peatland restoration. In addition to improving the environment, successful projects must demonstrate the means to engage and share benefits with communities, contributing to a just transition. The Facility for Investment Ready Nature in Scotland (FIRNS) programme will provide up to a total of £1.8 million.

NatureScot is offering grants of up to £120,000, and applicants are also encouraged to apply for co-funding through project grants of up to £120,000 from the National Lottery Heritage Fund. The expression of interest phase is ongoing, with application forms being made available from 17 April 2023. The application window is expected to close in mid-June and winning bids will be revealed during mid-August.

NatureScot has also announced the pilot of a carbon credit scheme that is backed by up to £2 billion of private finance. In its simplest form it essentially provides finance for tree planting with the investors securing a return from the sale of carbon credits, although there is flexibility for the model to vary according to landowners' requirements. The scheme could finance 185,000 hectares of native woodland creation if rolled out fully. The first pilot will focus on the river Tweed with a second planned for the Atlantic Rainforest on the west coast.

Community benefits from natural capital investment

The Scottish Land Commission has published a [discussion paper](#) that it hopes will stimulate discussion on the ways communities can benefit from land use change and investment for Scotland's net zero ambition. It is accompanied by a series of [case studies](#), showcasing examples of land ownership, use, and management where investment has been crucial in transforming land to act in the interest of local communities. These include how Thorlux, a manufacturer of industrial and commercial lighting, supported local employment, allows access and proactively addressed community concerns linked to its carbon offsetting afforestation project.

Grants extended in National Parks

Farmers in England's National Parks and Areas of Outstanding Natural Beauty will now be able to apply for funding from the Farming in Protected Landscapes (FIPL) scheme until March 2025. The scheme is not an agri-environment scheme but supports projects that provide at least one climate, nature, people or place benefit. Projects often involve land management changes or access improvements. If you would like to discuss the FIPL scheme please contact [Georgina Sweeting](#).

Property & Development

UK: Energy bill support for farm households

Households can apply for a £400 discount on their energy bills if they do not have a domestic electricity supply separate to the business supply to their farms. Most households have received this discount automatically, however for this specific scenario, an [application](#) is required. The application, once completed, will be shared with the local authority to verify, after which the local authority will deliver £400 into the applicant's bank account.

Those who do not use mains gas for heating can receive £200 towards their energy bills through the Alternative Fuel Payment (AFP) scheme. This is on top of the £400 above. Most of those eligible will have received this payment automatically through their electricity supplier as a credit on their bill in February. A minority including those who do not have a domestic electricity supply separate to the business supply to their farms may have to apply.

Scotland: Regulations to modify repairing standard

New repairing standards for private rented housing come into force in Scotland from 1 March 2024. A summary of measures has been published by the Scottish government. Changes include:

- The repairing standard will be extended to apply to agricultural holdings from 28 March 2027
- The existing duty to ensure the supply of gas and electricity are in proper working order will be extended to any other type of fuel from 1 March 2024
- The above duty will also be extended to specify that there must be a fixed heating system
- The list of tenancies to which the repairing standard does not apply will include tenancies of less than 31 days occupied for the purpose of a holiday
- A requirement to have safely accessible food storage and food preparation space will be included.

More information on the full list of measures is available [here](#).

Enhanced permitted development rights for temporary uses?

The government wants to permanently extend Permitted Development Rights (PDR) for tent camping from 28 days to 60 days. It has launched a consultation also proposing to limit temporary campsites to a maximum of 30 pitches. The move would build upon momentum established through the Covid-19 lockdowns where tourism demand for the staycation and outdoor locations boomed. The new right would allow for moveable structures related to the campsite such as portable toilets and temporary showers.

An increase to the maximum period of time land or a building can be used for the purpose of commercial film making is also proposed; from nine months in any 27 month period to 12 months in any 27 month period. The [consultation](#) runs until 25 April 2023 and applies to England only.

Business & Economy

Wales: New Farming Connect support

A new £22.9 million Farming Connect programme will be available for farmers in Wales over the next two years, it will focus on preparing farmers to transition to the new Sustainable Farming Scheme. The programme is designed to offer business support, improve resilience, provide access to the latest innovations and develop farm businesses. Launched in 2015, the programme has supported over 26,500 applicants to date.

New data suggests Welsh farming businesses need support as the gap between the best- and worst-performing farms grows. According to 2021-22 data from the Welsh Farm Business Survey, dairy farms in the top third for performance achieved a net margin of 12p per litre more than those in the bottom third. Lamb and beef producers show similar disparity. At the top, lamb producers made a profit of 87p per kilo while those at the bottom lost 55p per kilo. In suckler beef, income ranged from a profit of 25p per kilogram of meat to a loss of 109p per kilo.

Other Rural News

And finally... £36,000 for dairy farmer

The second series of Clarkson's Farm has continued where the first left off, revealing many of the hardships farmers face day to day. Amongst battles with planning authorities and calving difficulties, it was the devastating losses suffered by dairy farmers Emma and Pete Ledbury that plucked most fiercely at the heartstrings. Ms Ledbury told how she had lost half of her herd to bTB, leading to a fan of the show, Rebecca Poole, to launch a [GoFundMe appeal](#) to help. At the time of writing, the fund has raised £36,000 in less than three weeks from 2,300 donors. Ms Ledbury says, "I was literally on telly for 30 seconds, so never expected any sort of support in this way, it's just really lovely of everybody that's donated". She added "there's such a big pot there now that we can give some money to RABl to ensure that they can get some more help out to other farmers through counselling or TB advice".

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

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