

Food & Farming

Scotland's future food and farming policy open for consultation

The Scottish government has launched a consultation on its future agricultural policy and the transition away from the CAP based farming policy which was retained during a period of Simplicity and Stability following the UK leaving the EU. The government outlines its intention to support the economic sustainability of farmers and crofters whilst addressing the twin global emergencies of climate change and biodiversity loss and also continuing to produce high quality food. The consultation reports on the key findings from the Farmer Led Groups that have produced reports on how each of Scotland's farming sectors can continue to farm productively whilst also providing solutions for climate change and nature loss. The government's stance within the consultation is clearly focused on ensuring that Scottish agriculture achieves its target of a 31% reduction in emissions by 2032. The key issues outlined in the consultation include the need for baselining and industry standard data, for capital funding to invest in efficiency and productivity, and for research and development as well as new agricultural knowledge and innovation systems. Many of the questions asked in the consultation infer that the government is likely to increase the responsibilities demanded of farmers if they are to remain eligible for funding. The [consultation](#) runs until 17 November and is clearly a first step in the journey to developing Scotland's future farming policy, which is due in 2023.

The Scottish government has also opened a consultation on the concept of 'local food for everyone', in which it is proposed that Scotland becomes a Good Food Nation, whereby local food is central to the vibrancy and wealth of local communities, and everyone is able to access healthy local food. The case for an integrated local food system is coherently and persuasively outlined, with benefits for the environment, public health and climate. There is a clear rhetoric within the proposals that the government wants to significantly increase domestic food production and invest in the internal Scottish benefits of a food-centric green economy. The [consultation](#) is open until 26 November 2021. For further information on the consultations read our briefing note.

The future of plant based foods in the UK

A report, *Planting The Future*, has been published by the consultancy Lexington, analysing the current 'moment of change for UK food' defined by the growing interest in plant-based diets. The report highlights that the plant-based food sector has seen exponential growth in the UK, as consumers react to the climate and health crises. The report uncovers the challenges and opportunities this brings to the UK's food sector. Products in the plant-based, vegan, meat substitute or dairy alternative categories are on a growth trajectory, valued at just under £600 million in 2020 – double what it was four years ago. Vegan diets are becoming more common, and more people are pursuing 'flexitarian' diets. Importantly, the category is no longer only for those driven towards a 'plant-based' lifestyle.

The report concludes the UK market for dairy and meat plant-based alternatives has the opportunity to significantly expand, and that the government should lead a public conversation about how UK food and farming can make the most of this prospect. The report highlights the risk of the 'culture war' trap that pits plant based against meat, or sustainability against affordability, which is polarised, emotive and unhelpful, and crucially misses the nuances of our food system. The [report](#) provides a series of recommendations as to how business, policymakers and the wider sector can engage with the opportunity, one of which is to acknowledge sustainable meat production and support a hybrid diet that is based on scientific evidence.

Government funding to boost UK biomass production

Twenty four projects are to receive government funding of up to £200,000 each to increase UK production of biomass that can be used as sources of green energy. The £4 million funding comes from the government's Biomass Feedstocks Innovation Programme which focuses on producing low-carbon renewable energy using organic materials. The projects are intended to boost biomass productivity in the UK through breeding, planting, cultivating and harvesting organic energy materials. Funding recipients include Rickerby Estates Ltd in Carlisle, which has received £150,000 to look at scaling up the harvest of willow crops using new technology such as automated processing machinery that is controlled by a GPS guidance system. Other examples include SeaGrown Limited in Scarborough which received funding to develop new techniques to farm and harvest seaweed off the North Yorkshire coast.

Green Fuels Research Limited in Gloucestershire has funding for a project that will allow microscopic algae to be produced for biomass using wastewater from breweries and dairy industries. Aberystwyth University has won funding for its 'Miscanspeed' project, which aims to breed high-yielding, resilient Miscanthus. Impact Laboratories Limited in Stirlingshire, received over £170,000 for an innovative project that will commercially cultivate algae utilising heat provided by geothermally-warmed water from abandoned mine sites. The Biomass Feedstocks Innovation Programme is funded through the Department for Business, Energy & Industrial Strategy's £1 billion Net Zero Innovation Portfolio, which aims to accelerate the commercialisation of innovative clean energy technologies and processes through the 2020s and 2030s, supporting the government's ten point plan for a Green Industrial Revolution.

Policy

The Scottish government and Scottish Green Party in cooperation

The Scottish government has announced a new cooperation agreement between the SNP and the Scottish Greens. The Green party has voted in favour of the agreement, making this a landmark moment for the party as it is the first time it has been given the responsibility of ministerial office in Scotland, indeed anywhere in the UK. This agreement creates a majority in the Scottish Parliament, which is seen as essential for the SNP to push forward with legislation on another independence vote, something which the Green party is also committed to.

However, the cooperation agreement is not solely about IndyRef2; it also signals collaboration on a wide range of policy areas with, unsurprisingly, the focus being on responding to climate change and creating a successful Just Transition to a decarbonised economy for Scotland. Of note for the rural sector is the commitment to a biodiversity strategy in 2022 and a Natural Environment Bill in 2023/24. As discussed above the government has launched a consultation on agricultural policy and the cooperation agreement commits to an Agricultural and Land Use Bill in 2023. A new National Park, the introduction of Regional Land Use Partnerships, legislation on land value capture and further legislation on grouse moors and wildlife crime is also proposed, as is a consultation on further land reform, with a Bill due by the end of 2023. There are also proposals and consensus on planning reform and investment into building green homes and buildings, as well as plans to define new legislation on energy efficiency, grow the renewables sector and open a consultation in 2022 on EPCs. The deal is an indication of a new type of politics from Holyrood, with a clear cooperative agenda of independence, net zero and environmental protection. For further information read our briefing note.

Biodiversity net gain duration, species abundance and other amendments to the Environment Bill

The Environment Bill is coming to the end of its passage through parliament, having first been introduced in 2019. The government has tabled another set of significant amendments which due to its majority are likely to be approved. Firstly, the wording of the species abundance target has been strengthened, replacing the existing goal 'to further the objective of halting' with a stronger statement 'to halt the decline' in the abundance of species by 2030. Another significant amendment will create a power to allow the secretary of state to review, and potentially increase, the minimum duration for which new Biodiversity Net Gain (BNG) sites must be secured. Currently, the minimum term for a BNG site is 30 years, however in reality the land use change required may well mean the term is in fact for perpetuity. There is also a new amendment proposed to require the Secretary of State to give statutory guidance to local planning authorities to explain how they should take into account new Local Nature Recovery Strategies, in order to embed the strategies into planning systems. The Bill is currently at report stage in the House of Lords and due to gain Royal Assent later this autumn.

Environment & Natural Capital

Plastic free trees are best practice

A UK study has concluded that planting trees without plastic tree guards should be standard practice. Plastic free options for tree guards include using cardboard, wool, brash from felled trees, wooden fencing or gorse. The Climate Change Committee has recommended increasing the UK's forest cover from 13% to 19% by 2050, which requires a significant upscaling of tree planting. However, the tree guards currently used to protect young saplings from being eaten by animals are made of plastic which require significant carbon emissions to produce and when left in the field eventually break down into microplastics, polluting the environment. The research conducted a lifecycle analysis of the plastic and trees and found it was actually better to lose some of the saplings to grazing than use the plastic guards to protect them. On average 50% of trees survive if no shelter is used, compared to an 85% survival rate when a plastic guard is used, meaning the scientists concluded the cons of plastic outweighed the pros of its protection, and that plastic free tree planting should be seen as best practice. However, the study agreed that in areas with high levels of grazing damage, it is often best to use guards.

Call for caution over carbon rights

The Chair of the Scottish Land Commission has urged land managers and owners to act with caution when considering selling carbon rights. Chair of the Commission, Andrew Thin stated 'I would encourage landowners and land managers to exercise caution when considering transferring carbon rights or options until there is greater clarity over issues such as ownership of the rights and the need to retain them in offsetting their own business emissions in the future'. It is important to highlight that this issue focuses on carbon rights, in other words selling control of the carbon potential of land to an unrelated third party, rather than land managers selling individual carbon credits themselves. The Scottish Land Commission is due to advise the Scottish Government on the risks, opportunities and appropriate steps to ensure the natural capital market works in the public interest.

New Tree Health pilot

The Forestry Commission is inviting expressions of interest to be involved in the pilot of a new scheme to protect trees from pests and diseases in England. The three-year Tree Health pilot will cover parts of the North West, West Midlands, London and the South East of England. The plan is to establish 100 agreements with interested landowners and managers to help deal with trees affected by a pest or disease outbreak. It will initially focus on ash, sweet chestnut, larch and spruce and will support the felling and restocking of trees as well as providing maintenance payments for restock sites. The existing Countryside Stewardship Woodland Tree Health grants will continue to be on offer until 2024 when the new Tree Health scheme launches.

Property & Development

Staycation boom sees holiday prices soar

According to research by Which?, self-catered holiday accommodation in the UK this summer is costing on average 40% more than in the summer of 2019. The rise of the Great British Staycation has benefited rural economies and rural tourism, with a rise in demand for campsites, glamping destinations and self-catered rural accommodation. The research looked at the size of price difference between holidaying in the UK and travelling abroad, factoring in transport. It found that a one-week break in the Lake District cost £2,424 compared to £802 for the equivalent holiday in Lake Garda in northern Italy, including flights and accommodation. Hosts are raising prices to meet the increasing consumer demand and to account for the increased cleaning and sanitation costs post-Covid-19. If you would like to know more about developing a tourism or accommodation enterprise please contact [Simon Foster](#) in our Tourism, Leisure and Events Consultancy team.

Business & Economy

Mexican market opens doors for British pork

Following four years of negotiations and inspections, Mexico has now officially opened its borders to imports of British pork for the first time. Global UK pork exports to 75 countries were worth over £421 million to the economy in 2020. According to the Agriculture and Horticulture Development Board, access to the Mexican market alone is estimated to be worth £50 million to UK pork producers over the first five years of trade. Defra Secretary of State George Eustice said 'access to the Mexican market, with its substantial demand for high-quality pork, will be a welcome boost for our pig farmers and producers'. The UK and Mexico have committed to begin negotiating a new and ambitious free trade agreement this year, which will go further than the existing deal. These negotiations will complement the UK's accession to the Comprehensive and Progressive Agreement for Trans-Pacific partnership - a trade network of 11 economies spanning from the Indo-Pacific region to the Americas.

Other Rural News

Consultation on the reintroduction of beavers

The government has launched a [consultation](#) on reintroducing beavers into the English countryside. The plans to reintroduce and establish more native beaver populations have been described as 'cautious' by Defra and Natural England. Beavers are often referred to as 'ecosystem engineers' because they build dams, raise water levels and create wetland habitats which can support the recovery of native species. Under the government's proposals, applications for licences to release beavers into the wild would need to meet certain criteria, including demonstrating positive stakeholder engagement and local buy in, and proof that a comprehensive assessment has been undertaken of the impacts on surrounding land, the water environment, infrastructure, habitats, and protected species. Projects must also ensure that support for landowners and river users is put in place.

The consultation follows a successful five year reintroduction project on the River Otter in Devon. Decisions on the reintroduction of formerly native species in England are made based on the principles set out in the government's code of best practice for reintroductions, which was [published](#) in May this year. Plans to give beavers legal protection

in England have also been announced by government, in order to support their recovery. This will make it an offence to deliberately capture, kill, disturb or injure beavers, or damage breeding sites or resting places.

And finally...

Knowing the difference between a weasel and a stoat: a natural history GCSE is planned

The exam board OCR – part of Cambridge University Press and Assessment – has put forward a proposal to create a new qualification in natural history, which the government is now considering. In May, the education secretary, Gavin Williamson, told parliament that the government was indeed looking at bringing forward a natural history GCSE. The proposal is listed as one of the key recommendations to halt the decline in biodiversity, as for nature to be protected it has to be understood and valued, which relies on education. Nature writer Mary Colwell explained 'it's really simple – we're more disconnected than ever before and we need more naturalists than ever before – young people need to be able to name and feel at home in nature'. There is still detail needed about what the GCSE would actually entail, but more than 90% of people surveyed agree or strongly agree with the proposed intention.

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

Contacts



Andrew Teanby
Associate Director
ateanby@savills.com
+44 (0) 1522 507 312



Emily Norton
Head of Rural Research
emily.norton@savills.com
+44 (0) 207 016 3786

This report is for general informative purposes only. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. Whilst every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills Research.
