

Food & Farming

Correcting the imbalance of power in dairy

The government has announced that a new UK dairy code of conduct will be created following sustained lobbying from farming groups and last year's consultation. The consultation clearly demonstrated that imbalances of power, such as milk buyers' ability to set and modify contract terms at short notice, could cause instability. The statutory code of conduct will provide a framework of minimum contract standards whilst still offering the flexibility for businesses to adapt contracts to their individual needs. Powers within the Agriculture Act 2020 will be used to introduce the code. The UK government and the devolved administrations timed the announcement to coincide with the industry campaign 'Februdairy' which this year includes the #CheeseADayChallenge, encouraging participants to taste a different cheese every day throughout February.

Call for ELM trial volunteers

Defra's Environmental Land Management (ELM) Tests and Trials team is looking for volunteers to take part in the landscape recovery component of ELM. Landscape recovery is the most environmentally ambitious of the three components of the ELM scheme. It will support the delivery of landscape and ecosystem recovery through long-term, land use change projects. Projects include large-scale tree planting, peatland restoration and restoring wilder landscapes where appropriate. Further details of the opportunity are available [here](#).

Labour costs could make crops unviable

A report commissioned by the NFU concludes that growers need more sustainable farm gate prices to mitigate the impact of rising costs, otherwise a number of UK fruit and vegetable crops could become unviable. UK growers have seen labour costs increase by 34% since 2016. For a number of labour intensive crops, farm gate prices would need to increase by 9%-19% to offset the increase in wage costs between 2016 and 2020. Since the introduction of the National Living Wage in 2016, the hourly rate has increased from £6.50 to £8.72. The expansion of the Seasonal Workers Pilot Scheme was announced after the report was completed so its impact was not considered. However labour costs tend to be the same for both UK and non-UK labour, meaning fairer farm gate prices will be required either way.

Next phase of bovine TB eradication

The government's bovine TB eradication strategy aims to eradicate the disease in England by 2038. Following the March 2020 Godfray Review, its top priorities are working towards an effective cattle vaccine, evolving the wildlife control policy and improving diagnostic testing. Government has now set out proposed changes to its bovine TB policy in order to transition into the next phase of its strategy. These include phasing out badger culling, improved TB testing, incentivising uptake of biosecurity measures, supporting responsible cattle movements and rewarding low-risk purchasing behaviour. No new badger cull licences would be issued after 1 December 2022. As each licence lasts two to five years, culling would likely continue beyond this date although new licences could be cut short after two or three years. It is likely that 2026 would be the last year of intensive culls. During a transitional period the control policy would move from culling to vaccination pilots and then to a full-scale vaccination policy. A [consultation](#) on the proposals is now open.

COVID-19

Scotland: country sports tourism firms at crisis point

Many country sports businesses are now at "crisis point" according to an open letter written by the British Association for Shooting and Conservation (BASC). The letter, addressed to MSPs Fergus Ewing and Kate Forbes, goes on to say "it has genuine concerns that country sports tourism businesses will fold if support is not made available in short order". BASC believes country sports businesses are being excluded from the strategic framework business fund, despite being able to demonstrate closed or significantly modified operations. It claims the list of eligible sports and leisure businesses is "too narrow and prescriptive", leading to a lack of support where it is needed. Moreover, it states this is the second time that country sports have been excluded from support, "despite representations made directly to Mr Ewing".

Policy

Plans in development for a UK carbon tax

On the 4th of February, the Times reported that it had been privy to a Whitehall memo confirming that the Treasury has asked all departments to bring forward plans for a carbon pricing system to cover all sectors of the economy. Introducing a more widely applied carbon tax would have a significant impact on the rural sector, in particular livestock businesses. This is likely to renew the debate over the industry's ability to measure and take account of the emissions variability between production systems, and the ongoing controversy over the metrics used to measure the global warming impact of emissions from livestock.

However, the fact that the government is working on plans for tighter emissions regulations comes as no surprise given the substantial policy gap the UK is facing in reaching its 2050 net zero emissions target. In any event, any taxation proposals must now undergo sector-wide consultation and their impact (and any unintended consequences) be clearly assessed. An ambitious plan for the UK could be announced ahead of COP26, the United Nations' climate change conference which the government is hosting in Glasgow this November. The Prime Minister may then use the event to try and persuade other countries to match the UK's action. For more information on carbon and the opportunities and risks it presents to rural land see our recent research [Spotlight](#), and for more information on the carbon market see our latest [Market in Minutes](#).

Environment Bill delayed further

The latest delay to the flagship Environment Bill has been described as 'hugely unhelpful' for the rural sector by CLA President Mark Bridgeman. The Bill was first published in draft in 2018, and a carry-over motion now means that it can be held over to the next parliamentary session. Parliamentary Under Secretary of State Rebecca Pow has promised the Environment Bill would resume early in the second session and achieve Royal Assent by autumn 2021. It is unclear whether the Bill will continue to progress in the current parliamentary session, it is currently in its report stage.

The Bill will lead to long-term targets on air quality, resource efficiency, waste reduction, water and biodiversity. It has been criticised for neglecting to include a target around soil health. These targets will be set out on a five-year trajectory and the government will report annually on progress. The Bill will also establish the Office for Environmental Protection, an independent watchdog designed to hold the government to account on meeting the targets.

Mr Bridgeman said "farmers and landowners want to deliver positive environmental benefits on the land they manage, helping to reverse biodiversity decline and combat climate change. But many are relying on a move to the payments for public goods system, which is linked to key parts of the Environment Bill including local nature recovery networks".

Scotland: protection of mountain hares increased

From 1 March 2021, it will be illegal to intentionally kill, injure or take mountain hares at any time unless a licence is obtained. This will be the case throughout the whole year, whereas previously a licence would only be required during the closed season. Licences will only be issued in limited circumstances, such as when concerns for public health or a requirement to protect crops and timber can be demonstrated. The changes are part of the Animals and Wildlife (Scotland) Act 2020 which will also create new licensing requirements for those breeding puppies, kittens or infant rabbits. It will also introduce 'Lucy's Law' to end the third party selling of dogs and cats in Scotland under the age of six months.

England: new protections for peatland

Under new regulations, the burning of vegetation on areas of deep peat (over 40cm deep) on a site of special scientific interest that is also a special area of conservation or a special protection area will be banned. Burning will still be permitted in some circumstances such as on steep or rocky land or where a licence has been issued to allow the burning of vegetation for wildfire prevention or conservation purposes. The UK has 13% of the world's blanket bog. Restoring it will both prevent further emissions from peatland and potentially sequester carbon as well, helping the UK to reach net zero carbon emissions. However unmanaged moorland can pose a wildfire risk so the government intends to work with landowners and managers to develop local wildfire control plans.

Environmental groups have described the practice as "outdated and damaging". Craig Bennett, chief executive of the Wildlife Trusts, was critical that the ban only applies to some of our designated peatlands. On the other hand Amanda Anderson, Director of the Moorland Association, describes "heather burning as a vital tool for moor owners

and managers who are heavily involved in peatland restoration and tackling climate change” but says that “there is a real desire to work constructively with government to achieve shared environmental ambitions”.

Environment & Natural Capital

The economics of biodiversity

Nature is a blind spot in economics that we ignore at our peril. That’s according to a recent review by Professor Sir Partha Dasgupta. It calls for urgent change in how we think, act and measure economic success to protect and enhance both our prosperity and the natural world. The review, commissioned by HM Treasury in 2019, presents the first comprehensive economic framework of its kind for biodiversity. It argues that nature is our most precious asset and that significant declines in biodiversity are undermining the productivity, resilience and adaptability of nature. This has consequently put our economies, livelihoods and well-being at risk. Immediate and transformative action across three broad fronts is required:

- Humanity must ensure its demands on nature do not exceed its sustainable supply and must increase the global supply of natural assets
- New metrics for economic success, moving towards an inclusive measure of wealth that accounts for the benefits of investing in natural assets
- We must transform our institutions and systems to enable these changes and sustain them for future generations.

The Prime Minister welcomed Professor Dasgupta’s Review, saying “it makes clear that protecting and enhancing nature needs more than good intentions”. Environment Secretary, George Eustice echoed Mr Johnson’s comments, saying “we need policies that will both protect and enhance the supply of our natural assets”. Sir David Attenborough said the report “shows us how by bringing economics and ecology face to face, we can help to save the natural world and in doing so save ourselves”.

Scotland: Agri-Environment Climate Scheme opens

A restricted round of the Scotland’s Agri-Environment Climate Scheme (AECS) has now opened for [applications](#). The funding will focus on designated sites, organics, slurry stores and improving public access. The land management options available aim to support farmland waders, corn buntings and corncrakes. AECS is a Pillar Two Rural Development Scheme, ordinarily jointly funded by EU CAP funds and the Scottish government. NFU Scotland president Andrew McCornick said the level of support for the scheme going forward remained unclear, and warned that failure to support AECS in the next few years may result in a very large area of land falling out of environmental management from 2022 as agreements expire. If you would like to discuss the scheme please contact [Andrew MacDonald](#), Head of Food and Farming Scotland

Biodiversity net gain - Getting ready for action

A number of important questions were raised during our Biodiversity Net Gain (BNG) webinar on 21 January, covering topics such as how BNG income will be taxed, its compatibility with other land uses and how the biodiversity of a site is quantified. [Click here](#) to find out the answers and also access a recording of the webinar.

Labour’s plan bee

Ministers were urged to “save the bee” as Labour failed in its bid to give Parliament a say on pesticide ban exemptions. The government has temporarily lifted the ban on neonicotinoids allowing their use on sugar beet seed, a ban introduced in an attempt to slow the decline of pollinator numbers. Farmers can apply for emergency use of the pesticide for treatment of sugar beet seed in 2021 to protect the crop against beet yellows virus. Shadow environment secretary Luke Pollard said “if bee health really is non-negotiable, then this ban must not be set aside just because it’s convenient to do so now”. During the first day of the Environment Bill’s report stage Labour tried to insert an amendment, which would have placed a requirement on ministers to allow parliamentary scrutiny of pesticide exemptions, was defeated by a majority of 145 (366 votes to 221).

Ensuring the right tree is in the right place

Experts at the Royal Botanic Gardens, Kew have proposed 10 golden rules for tree-planting:

- Protect existing forests first
- Use natural forest regrowth where possible
- Maximise biodiversity
- Select the right area for reforestation
- Make sure the trees are resilient
- Put locals at the heart of planting
- Select the right tree species

- Plan ahead
- Learn by doing; combine local knowledge with scientific knowledge
- Make it pay by creating a source of income for all stakeholders.

The experts say that while tree planting is a brilliant solution to multiple problems, the wrong tree in the wrong place can do more harm than good.

Property & Development

New planning policy to improve design quality

New proposals demand that all new developments must meet local standards of beauty, quality and design. In response to the Building Better, Building Beautiful Commission report, the government is proposing changes to the National Planning Policy Framework to place more emphasis on place-making and to ensure that all new streets are lined with trees. A new draft national design code will create a checklist of design principles that should be considered, including street character, building type, façade and requirements that address wellbeing and environmental impact. Councils will also be encouraged to publish their unique design code, so residents have a say in the design of new developments in their area.

In other proposed changes, the 'presumption in favour of sustainable development' has been amended for place-making, and now includes reference to making effective use of land, aligning growth and infrastructure, mitigating the effects of climate change and improving the environment. The proposals are now available for public comment until 27th March and Savills anticipates them becoming part of national planning policy later in the spring. Find out more in [this blog](#) by Savills head of planning David Jackson.

4G masts for rural areas

O2, Three UK and Vodafone have reached an agreement to deliver the first stage of the Shared Rural Network. Between them they will build 222 new 4G mobile masts, with the majority (124) being built in Scotland. 54 will be built in England, 33 in Wales and 11 in Northern Ireland. The masts will be shared between the operators with the goal of reaching 95% of the population by 2026. They may also help with the future deployment of 5G. Currently only 66% of rural areas have good access to 4G and there was only a 1% improvement last year.

Other Rural News

And finally...

Putting the taste back in tomatoes

Decades of selective breeding chasing yield and disease resistance have bred the taste out of tomatoes. Scientists have charted the genetic paths that have made tomatoes so bland, identifying key flavour-enhancing genes that have steadily disappeared over time. By sequencing the genomes of 398 varieties and conducting taste tests, researchers were able to identify the specific compounds, and their corresponding genes that tasters associated with flavour. The gradual decline in taste only became noticeable when the losses accumulated. So will we ever get a 'classic' tomato taste back? Restoring sugars and the taste associated with them may result in a yield loss that producers could not stomach. However restoring the aroma, a crucial element in the experience of flavour, might not come with such compromises, meaning the genes could be reintroduced through selective breeding or genetic editing in the future.

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

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