

Food & Farming

What are your planting intentions for spring 2020?

An exceptionally wet autumn and winter has left acres of land intended for winter cereals undrilled. We are running a short survey asking farmers to tell us what their current cropping plans are. Farmers and growers: please take two minutes to [fill the survey in](#). We shall share the results later this month.

Sewage sludge rules out of date

Rules governing the use of human sewage as crop fertiliser are 30 years out of date according to an Environment Agency report. 3.6 million tonnes of sewage sludge (also known as biosolids) are processed and spread onto agricultural land each year. Currently sewage sludge is tested by water companies to ensure levels of heavy metals such as mercury, zinc and copper are below set limits. The Materials to Land study raises the concern that a number of potential contaminants which could pose a risk to human health are not covered by regulations; levels of microplastics, organic pollutants and pharmaceuticals are not monitored. The 2017 study was obtained by a Greenpeace freedom of information request. The Environment Agency has said that the findings will inform its upcoming sewage sludge strategy.

Fund to fight food waste

Food waste is being cut successfully, however an average family still wastes £700 of food a year. The Government is providing £1.15 million of [funding](#) to help businesses and not-for-profit organisations in England to come up with creative new ways to tackle food waste by changing people's behaviour or transforming waste into other materials. Could this be a farm diversification opportunity?

Farming performance figures released

Defra's latest [analysis](#) of farm financial performance in England shows:

- The average level of liabilities across all farms was £234,400 per farm, a slight increase from 2017/18
- The average net worth across all farms was £1.82 million, with little change from 2017/18
- Average gearing and liquidity ratios remain largely unchanged since 2009/10
- Net interest payments were 11% of farm business income, a slight increase from 2017/18

Policy

Agriculture Bill moves a step closer

MPs had their first opportunity to debate the Agriculture Bill on 3 February and it passed its Second Reading without amendment. The debate covered a wide range of issues, including the lack of a commitment to net zero, farmers' vulnerability to imports produced to different standards, devolution issues, the use of pesticides and the withdrawal of direct payments. Tim Farron, the Liberal Democrat spokesperson for food and rural affairs, highlighted that, in the seven year transition period, farmers would be expected to cope with the loss of the Basic Payment Scheme (BPS) but the new Environmental Land Management scheme would not be functional for many farmers until 2028. He suggested it would be wiser and more compassionate to hold off the phase out of BPS until 2028. In response, Defra Minister George Eustice countered that the Government wanted their grants for productivity and investment to help cover the transition. To plug another gap, the Direct Payments to Farmers (Legislative Continuity) Act 2020 has now received Royal Assent; this legislation is important as it provides powers for each part of the UK to continue paying direct payments to farmers in 2020, filling the gap until the Agriculture Bill is in place.

The Agriculture Bill's Committee Stage has now started where the Bill will be considered line-by-line and is an opportunity for changes to be made to the wording or for new clauses to be added. The House of Commons Public Bill Committee will reflect the political make-up of the House, so generally only amendments supported by the Government will be made. Views of the public are however taken into account; the Committee has invited the public to [submit their views](#) on the Agriculture Bill.

Push for inheritance tax reform

A [group of cross-party MPs](#) is calling for a radical overhaul of inheritance tax. It proposes a substantial cut from the current 40% rate to 10% for all estates worth more than £325,000, or £650,000 for married couples or civil partners. The 10% flat rate on gifts on death would apply to estates of up to £2 million in value, above which a higher rate of possibly 20% is proposed. The report by the All-Party Parliamentary Group (APPG) for Inheritance and Intergenerational Fairness recommends that reliefs including agricultural and business property reliefs are removed so that businesses, investments and homes are all taxed in the same way. Instead it proposes a £30,000 annual gift allowance, with a 10% tax payable on gifts outside this allowance. All its proposals combined would result in a major restructuring of how transfers of wealth are taxed. As an APPG the group does not have a formal parliamentary role but its work could influence government thinking.

General licences: Fresh court action threatened

Wild Justice has branded Defra's latest General Licences 'unlawful' and threatened to take the Government to court if it attempts to extend those which expire at the end of February. The campaign group argues that if Defra's review into General Licences is not complete, rather than rolling over the existing General Licences they should be suspended and the existing individual licensing system expanded to apply to the relevant species. Wild Justice has also escalated its legal challenge against the General Licences issued by Natural Resources Wales.

Meanwhile in Scotland, Scottish Natural Heritage (SNH) has announced [changes](#) to its General Licences which take effect from 1 April. The changes see species removed from General Licences one, two and three. General Licence two allows culling to prevent serious damage to agriculture; great black-backed gull and collared dove are removed from the list of species this licence can be used to control, whilst the control period for Greylag geese is extended. Restrictions on the use of the licences on designated sites are also being introduced; anyone intending to use a General Licence on certain Special Protection Areas and Special Areas of Conservation can only do so with approval from the SNH licensing team.

Animal Welfare

The Government has announced its support for the Animal Welfare (Sentencing) Bill, which will increase the maximum sentence for the most serious perpetrators of animal cruelty from six months to five years. The Bill is a Private Members Bill meaning it was introduced by an individual MP; these often fail to become law, but having gained the Government's backing it will now be allocated more parliamentary time.

Environment & Natural Capital

Clean tech will not achieve net zero

Carbon capture and storage (CCS) and hydrogen technology will not solve global warming in time. The [Absolute Zero report](#) says "we've been trying to solve the problem with new or breakthrough technologies" but "they won't be operating at scale within thirty years". That means they will not be able to contribute to 2050 climate change targets as the Government had hoped. The report therefore starts with current technologies and concludes a switch to electricity coupled with the expansion of non-emitting energy generation should be prioritised. The researchers argue the UK should be aiming for the steeper target of absolute zero rather than net zero. A clear illustration of the scale of lifestyle change which would be necessary to achieve absolute zero, is in the report's recommendation that beef and lamb must be phased out by 2050 and replaced by "greatly expanded demand for vegetarian food".

What's changed in the Environment Bill?

[The Environment Bill 2019-21](#) was introduced to parliament on 30 January 2020 and joins the updated Agriculture and Fisheries Bills. The 2019-21 Environment Bill is almost identical to the previous 2019 Environment Bill which failed due to the election and was reported on in an earlier edition of [Landscape](#). The 2019-21 Bill has two key additions. Firstly, it requires the Government to publish a report on the developments in international environmental legislation. Secondly, powers have been included to stop the export of plastic waste to non-OECD countries; this is to prevent the offshoring of waste and to boost the domestic recycling system. Several provisions of relevance to land managers remain in the Bill, including:

- Legally binding environmental principles
- The establishment of the Office for Environmental Protection
- Tools to protect and promote the environment such as conservation covenants and biodiversity net gain
- Long term targets of at least 15 years around the natural environment.

Scotland deer management review

The Deer Working Group has made its [recommendations](#) to the Scottish Government to ensure effective, sustainable wild deer management that safeguards public interests. The majority of the independent group's 99 recommendations are for improving existing legislation and practices, rather than for statutory change. Scottish

Land and Estates has highlighted the report's "strong focus on drastically reducing the deer population", which conflicts with a recent Scottish Natural Heritage [report](#) which found red deer populations had already dropped considerably and overall deer management in Scotland was improving. Environment Secretary Roseanna Cunningham acknowledged it is a complex issue and said the Government would consider it alongside other evidence, engage with key stakeholders and respond in due course.

Property & Development

Infrastructure challenge

A letter signed by more than 66,000 people has been delivered to 10 Downing Street by six Wildlife Trust chief executives. It asks the Prime Minister to ensure HS2's impact on nature is properly and urgently assessed. The Woodland Trust is also handing over 42,000 comments focused on the loss of trees and impact on ancient woodlands. These campaigns highlight the difficult choices inherent in infrastructure decisions. Travel by HS2 will emit 17 times less carbon than the equivalent domestic flight and it is estimated the line will reduce car travel by 1.2 million miles every day, but its construction will impact local sites and wildlife.

Business & Economy

Anti-Money laundering regulations extended to lettings

New anti-money laundering [regulations](#) have been introduced and require increased due diligence for lettings where the rent is more than £8,400 per calendar month. This could affect estates with large let farms, high value residential properties or commercial tenancies.

US food fears are 'mumbo jumbo'

Boris Johnson has said fears that American food products could be damaging to public health or produced to lower standards are "mumbo jumbo". He said "we will not accept any diminution in food hygiene or animal welfare standards" and that future deals will be "governed by science". While his comments have been seen as being open to GM food, Mr Johnson did accept that animal welfare concerns linked to chlorinated chicken are legitimate. International Trade Secretary Liz Truss has said the UK wants "secure comprehensive, far reaching and mutually beneficial tariff reductions" in a deal with the US.

Boris Johnson was clear that whilst the UK will maintain high standards it will not sign a treaty with the EU obliging us to accept EU rules on competition policy, subsidies, social protection, the environment, or anything similar. The Government wants to agree a comprehensive free trade agreement with the EU, similar to Canada's.

Ms Truss has also said the UK will "drive a hard bargain" as it seeks trade deals with other nations. A [consultation](#) on plans to simplify or cut tariffs has been launched as well as a review of "anti-dumping" duties designed to prevent nations flooding the UK market. The consultation on the UK's Most Favoured Nation tariff, called the UK Global Tariff, closes on the 5 March 2020. The new tariff policy will come into force on 1 January 2021 and apply to all imported goods unless an exception applies.

Foreign Secretary Dominic Raab has visited Australia and met with Foreign Minister Marise Payne to discuss future trade and investment opportunities. Speaking ahead of his visit, he said "Australia is a natural partner and we are ready to negotiate a comprehensive trade deal" and added "the scope for win-win is huge". His visit to the Asia-Pacific region will also include Japan, Singapore and Malaysia.

Other Rural News

And finally...

From opium to avocados

Mexico has seen a sharp rise in the rate of avocado-related crime with criminal gangs looking to cash in on the "green gold". Parts of the Mexican state of Michoacán have become no-go areas for police with armed criminals targeting trucks heading for the US. Demand for avocados jumps ahead of the Super Bowl and Mexico ships a record 127,000 tonnes to the US for the occasion, 12% of overall production. A sharp fall in the price of Mexican opium paste is being indirectly blamed, forcing criminals to diversify. America's opioid crisis has seen increased use of fentanyl, a synthetic opioid, which has affected opium prices.

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

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

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