

Food & Farming

Creating animal food from greenhouse gas

Biotech firm Deep Branch is trying to reduce the carbon footprint of animal feed. Carbon emissions in animal feed derive from both processing and transport emissions. Deep Branch, together with Sainsbury's and Drax, have developed a project called React-First, which has received £3 million in funding from Innovate UK. Through this project, they are now producing a high-protein feed called Proton, which is based on a proprietary gas fermentation process. Microbes are fed CO₂ (from industrial emissions), hydrogen and water, and the Proton protein is then produced as a waste material by the microbes. The challenge for single-cell protein manufacturers is achieving commercial scale as the investment needed in production facilities is substantial. However, as well as the UK pilot, a 'scale up centre' in the Netherlands has received funding from the EU's 2020 Horizon EIC Accelerator programme.

Harvest worker scheme

The government has announced that it will extend the Seasonal Workers Pilot, which was first launched in 2019. It will now provide 30,000 visas for workers who wish to travel to the UK this year to pick and package fruit and vegetables for a period of up to six months. The expansion of the scheme and extension for an additional year follows close consultation between the government, the NFU and the Association of Labour Providers. There was particular recognition of the need for additional seasonal labour in Scotland to support soft fruit growers and local rural economies. As well as extending the scheme, the government has stated an aim to build on Pick for Britain's campaign and actively promote the recruitment and retention of domestic seasonal workers this year too. Defra will also lead a review into automation in horticulture; it will report on ways to increase automation in the sector and consequently meet the government's aim of reducing the reliance on seasonal migrant labour.

Neonicotinoid insecticide approved for Sugar Beet seed

The use of the three neonicotinoids - clothianidin, imidacloprid and thiamethoxam - was banned outdoors in 2018 due to the risk they posed to pollinators and bees. This stopped their use as seed treatments and followed an earlier ban on spray applications. Sugar beet yields were significantly reduced in the 2020 season due to beet yellows virus for which there is a lack of alternative control options. Defra has therefore decided that the necessary conditions are met to grant an emergency authorisation allowing the neonicotinoid thiamethoxam to be used for the treatment of sugar beet seed in 2021. The risk to pollinators is considered lower in this instance as a sugar beet crop is non-flowering. There are however further conditions attached to manage the risk - growers must control flowering weeds and cannot grow a flowering crop on the land for 22-32 months.

Agroforestry in England

When the Basic Payment Scheme (BPS) was introduced, the Rural Payments Agency (RPA) stated that grazed woodland was no longer eligible for payment. This led to some confusion that BPS is not compatible with agroforestry systems, however some forms of agroforestry such as Silvopasture and Silvoarable are allowed. As part of its work to simplify the BPS the RPA has published new guidance on [Agroforestry and the Basic Payment Scheme](#).

COVID-19

£4.6 billion to support businesses and protect jobs

On 5 January, the Chancellor Rishi Sunak announced one-off top up grants for businesses in the retail, hospitality and leisure sectors. The grants will be provided on a per property basis, with up to £9,000 available per property to help businesses through to the spring. This cash is expected to benefit over 600,000 business properties across the UK. The £4.6 billion comes in addition to the £594 million discretionary fund made available for other businesses, £1.1 billion of grant funding for Local Authorities, Local Restriction Support Grants worth up to £3,000 a month and the extension of the furlough scheme (see below).

Furlough scheme extended

In December, Chancellor Rishi Sunak announced that the furlough scheme has been extended until the end of April 2021. The government has committed to continue to contribute 80% towards wages, providing certainty for jobs

and businesses across the UK. The Chancellor also stated he would be extending the government guaranteed Covid-19 business loan schemes until the end of March. Within the announcement, the Chancellor confirmed the Budget date as 3 March 2021; it has been suggested that it may be converted into another emergency statement.

Culture Recovery Fund

Applications are now open for the second round of the Culture Recovery Fund for Heritage. A further £36 million will be made available in grants to support heritage organisations across England between April and June. Grants of £10,000 to £3 million will be distributed by The National Lottery Heritage Fund and Historic England, on behalf of the Department for Digital, Culture, Media and Sport (DCMS); organisations and businesses that own, manage or work with heritage in England are all eligible. The [application](#) deadline is 26 January 2021.

Eviction bans extended

A temporary ban on eviction orders will be extended in Scotland to cover the period up until 31 March. The extended ban will apply to all eviction notices issued on, or after, 7 April 2020 in areas which are subject to level 3 or 4 Covid-19 restrictions. It does not apply in cases of serious anti-social behaviour, including domestic abuse. It will be subject to review every three weeks to ensure it remains necessary to protect against the spread of Covid-19. England and Wales have since followed suit, extending eviction bans for a further six weeks.

Policy

What the UK-EU trade deal means for the rural sector

On 24 December 2020, Prime Minister Boris Johnson presented an early 'Christmas present' in the shape of a 1,246 page UK-EU Trade Deal. Titled the Trade and Cooperation Agreement, this is the first modern trade deal created with the intent of disintegrating a pre-existing trading partnership and defining new market boundaries. The deal applies to 28 countries and covers a collective market worth £905 billion (as of 2019).

For the agricultural sector the good news is that the deal enables trade between the EU without implementing any tariffs or quotas, meaning trading dynamics of agri-food products to and from the EU will remain largely unchanged. However, there will be the introduction of non-tariff barriers, for example administrative work at customs borders, which will increase the friction of trading slightly; fortunately many of these additional costs are not significant enough to have a serious impact on trade. The new Rules of Origin, which set out what percentage of a traded product must derive from the trading country, could create problems for companies which trade processed products.

There is a substantial and perhaps surprising inclusion within the deal of an intent to cooperate on important emerging issues such as sustainable food systems, climate change, antimicrobial resilience and animal welfare, pointing to a future in which the UK and the EU together intend to lead internationally on agri-environmental standards. For many, Brexit was intended to open Britain's gates up to global trade. However, there is reason to think that this deal reduces the desire and need for a UK-USA trade deal – it will be interesting to see the impact of the deal on the development of 'Global Britain'. This deal provides certainty for businesses, and is welcomed as an alternative to the potential supply-chain chaos of no deal. However, there is still a lot of room for changes within the deal, and certain aspects are by no means set in stone. For a detailed analysis of the deal please see our briefing note.

Wales launches white paper on the future of farming

On 16 December, the Welsh rural affairs minister revealed a white paper outlining the long term vision for sustainable agriculture in Wales. The vision covers 15-20 years and aims to maintain high food safety, animal welfare and environmental standards in Wales. It will be underpinned by a new, simpler regulatory framework and improved enforcement. The White Paper proposes that Sustainable Land Management should be established as the overarching principle for future agricultural policy, meaning future farm support would be delivered through a new agri-environment scheme called the Sustainable Farming Scheme (SFS).

The white paper also sets out how farmers can respond to the climate emergency and help reverse the decline in biodiversity. An Agriculture (Wales) Bill is expected to be introduced into parliament before summer 2022. The legislation will need to be in place by 31 December 2024 as the Welsh government's powers to make BPS based payments expire at that point. These powers could be renewed or that may be a logical point to transition to the SFS. A full briefing on the white paper is available [here](#).

Subsidy scheme uncertainties

A group of 20 MPs, including Tory backbenchers, have written to the Environment Secretary arguing that the phase out of direct payments in England between 2021 and 2027 should be delayed until the Environmental Land

Management scheme has been fully implemented. The former Liberal Democrat leader Tim Farron coordinated the letter, arguing that he is worried that many farms may be forced out of business because of the reduction in their direct payments. Defra has published the Agricultural Transition Plan, which intends to provide sufficient support to farmers who will need to adapt their businesses in order to prosper under the new schemes. For a detailed analysis of the Agricultural Transition Plan please see our [briefing note](#).

Consultation on gene editing

Plans to consult on gene editing have been set out by Environment Secretary George Eustice at the Oxford Farming Conference. Government correspondence indicates a belief that gene editing could “unlock substantial benefits to nature, the environment and help farmers with crops resistant to pests, disease or extreme weather and to produce healthier, more nutritious food”. Part one of the [consultation](#) focuses on the regulation of gene edited (GE) organisms possessing genetic changes that could have been introduced by traditional breeding. Defra has indicated that, depending on the outcome of the consultation, it may act to modify the definition of genetically modified organisms (GMOs) as it applies in England, removing GE organisms from this definition. Part two is being used to gather views on the wider regulatory framework around governing GMOs. Taking a more liberal approach the use of GE compared to its treatment within the EU could implications for UK-EU trade in future.

Environment & Natural Capital

Woodland Carbon Guarantee auction results

The results of the third Woodland Carbon Guarantee auction held at the end of October show the average price of Woodland Carbon Units (WCUs) was £17.31 in the third auction, compared to £24.11 and £19.71 in the first and second auctions respectively. That means prices have decreased by more than a quarter since the first auction. There were 46 bids of which 31 (two-thirds) were successful. The successful projects will create 620 hectares of new woodland. The Guarantee offers successful applicants in England the option to sell verified Woodland Carbon Units to government with prices being linked to the Consumer Price Index. At current values income from Woodland Carbon Units is unlikely to make new non-commercial small scale woodland creation economically viable.

Dame Glenys Stacey will lead the UK's new environmental watchdog

Environment Secretary George Eustice has appointed Dame Glenys Stacey as the Chair of the new Office for Environmental Protection (OEP). In 2019, Dame Glenys chaired an independent review of farm regulation at the request of the then Secretary of State for Defra in which she queried the feasibility of adopting principles such as ‘the polluter pays’ in the context of agricultural diffuse pollution. A Defra consultation is expected soon which will lead to a new regulatory approach for agriculture from 2024.

Property & Development

Help for communities at risk of flooding

Communities at risk of flooding are being strongly encouraged to apply for a share of a £200 million resilience programme. 25 areas will be chosen to pilot new approaches to flood resilience and coastal change for the Flood and Coastal Resilience Innovation Programme. Nature-based solutions, such as planting trees and restoring peatland to reduce run-off into rivers, are being encouraged in particular. Each successful area will receive some initial funding to develop their project proposals into more detailed plans during spring 2021, before the projects formally begin from summer 2021. They will then receive approximately £6 million between 2021 and 2027 for those projects. Lead Local Flood Authorities and Coast Protection Authorities are being invited to express an opinion by 15 January 2021.

Three steps to assessing rural telecoms mast rents

A recent decision in the Upper Tribunal may go a long way to resolving the backlog of disputes that have arisen since the Electronic Communications Code was introduced in the UK in 2017. In its decision the Upper Tribunal set out three steps to take when settling telecoms mast rental agreements:

1. Assess any alternative use value of the site
2. Consider the additional benefits which the agreement gives to the tenant
3. Consider adverse effects on the landlord.

The case involved a telecoms mast on a rural estate in the South Downs National Park, where the landowner and infrastructure provider could not agree on site sharing, rights to upgrade or the rental value. The Upper Tribunal has now set the rent at £1,200 per year. This was decided based upon the following considerations in relation to the three steps above:

1. £100 per year as the mast was based on a small woodland site

2. £600 per year for additional benefits including £150 per year for the right to enter an adjoining property. A further £100 was awarded for the tenant's right to a rolling break clause after five years
3. £500 per year due to evidence of the impact of third-party access to the heart of a rural estate, occasional use of a generator, concerns over the potential impact of future upgrading and loss of amenity.

Other Rural News

Social prescribing

How can connecting people with nature improve mental health and benefit society? This is the key question which seven new test and learn sites in England will be seeking to answer. Focused on communities hardest hit by Covid-19, the projects will aim to help local communities access green spaces, maintain a healthy weight, and boost mental health. The outcomes from these two year projects are relevant to rural landowners as the access and activity necessary for such green social prescribing initiatives could conceivably form part of future 'public money for public goods' based rural support scheme. However to date the test projects appear predominantly focused on supporting collaboration between public sector bodies rather than developing the role of landowners in helping to deliver these services.

And finally...

How do you like them apples?

A man from Wiltshire has stumbled across an entirely new variety of apple while out jogging. Mr Thomas said the yellow and mottled fruit was "unlike any he'd seen before" and so he "set about trying to get it identified". Jim Arbury of the Royal Horticultural Society inspected three of the apples and informed Thomas it was not a planted cultivar, but in fact an entirely new variety that he could propagate and name. "My seven-year-old son wants me to call it Cristiano Ronaldo," said Mr Thomas "but that's not happening. My wife, Hannah, is the apple of my eye, so she's in contention". As for the taste? Mr Arbury said "It tastes quite good. It's a cooking apple or dual purpose, you can eat it, it's got a bit of acidity but it's got some flavour and some tannin, which is what you have in cider apples".

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