

Food & Farming

M&S selling slower reared chicken

Marks and Spencer is now only selling slower reared RSPCA-assured fresh chicken across the UK. The retailer has moved to supplying a Hubbard breed, in line with the Better Chicken Commitment (the chicken welfare policy that addresses issues related to breeding for fast-growth and high-yield), as well as requiring higher welfare standards in relation to housing, stocking density and slaughter. The new slower-reared breed will be fed a multigrain diet and has more space to roam as well as more pecking aids and perches to encourage natural behaviour. M&S has not disclosed how much it has spent to transition its supply chain to slower rearing, higher welfare birds, but has described it as a 'significant investment'.

PepsiCo targets two million regenerative acres in the US

PepsiCo Inc. and international processing and commodities group Archer Daniels Midland Co. (ADM) are partnering to encourage and support the adoption of regenerative agriculture practices across two million acres of US arable farmland by 2030. Together they will provide technical, agronomic and financial support to 60,000 farmers in their supply chain. They calculate the transition to regenerative practices such as reduced cultivation and cover cropping will eliminate 1.4 million metric tonnes of greenhouse emissions. So far PepsiCo has helped transition 345,000 acres in the US and Canada and has an overall target of seven million acres by 2030, equivalent to its entire agricultural footprint. In the UK the company, as owner of Walkers, is similarly working with its growers to cut emissions in its supply chain.

RPA extends establishment dates

In response to this season's dry conditions, the RPA has extended the establishment window for a series of environmental stewardship options to the 30th of September. This applies to AB1 (Nectar flower mix), AB8 (Flower-rich margins and plots), AB15 (Two year sown legume fallow) and AB16 (Autumn sown bumblebird mix).

Policy

Scotland's Programme for Government promises Land Reform and a new Agriculture Bill

First Minister Nicola Sturgeon has set out Scotland's Programme for Government (PfG), outlining the government's plans for the year to come. In total the PfG contains 18 new bills including legislation on an independence referendum, reforms to the justice system and support in response to the cost-of-living crisis. For the rural sector, there is a proposal to 'explore capping and/or tapering base-level payments to release additional funding to meet the goals of our agricultural vision'. The position from the Scottish government is to 'align behind our Vision for Agriculture, including consulting on a future Agriculture Bill, rolling out the National Test programme and moving towards shifting 50% of direct payments to climate action and funding for on farm nature restoration and enhancement by 2025'. The consultation on Scotland's future Agriculture Bill was recently launched; for more detail see our latest briefing note.

In terms of land reform, the government aims to introduce new measures (subject to the current consultation) by the end of 2023 and the Scottish Land Fund is to double to £20 million by 2026. It is clear the government believes land reform is key to tackling the nature and climate crises. The PfG also promises a new energy strategy and the country's first Just Transition Plan, to provide a roadmap for a net zero energy system in Scotland. Scotland's next statutory climate change adaption programme will be published in 2024 and the government intends to consult on a new flooding strategy.

Yes Minister – a look at the new ministerial force for the rural sector

Prime Minister Liz Truss has appointed two new ministers of relevance to the rural sector. Former Chief Whip Mark Spencer has been appointed Defra Minister of State, replacing Victoria Prentis who was in the role for over two years. Mark Spencer is the MP for Sherwood and comes from a farming background. He studied at Shuttleworth Agricultural College, before joining the family farming business. He became an MP in 2010 and has served on the Environmental Audit Committee and the Environment, Food and Rural Affairs Committee. Graham Stuart, MP for Beverley and Holderness, has been appointed as Minister of State for Climate. His role will be to support Jacob

Rees-Mogg, Secretary of State for Business Energy and Industrial Strategy, on issues related to the climate such as the green deal, the energy crisis, fuel poverty and climate change. Mr Stuart has demonstrated an interest in renewables within his own constituency, supporting Orsted's Hornsea Two Project, recently declared the world's largest offshore wind farm, and the Drax biomass power station.

Environment & Natural Capital

22 landscape recovery projects win funding

22 projects in England have secured funding as part of the government's Landscape Recovery (LR) scheme. LR is one of the three Environmental Land Management schemes, and in February farmers and land managers were invited to apply for funding from the LR pilot. It was reported the pilot scheme had three times more applicants than the government said it was able to fund. Each of the projects selected covers an area of between 500 and 5,000 hectares. Most projects involve groups of land managers and farmers (including tenants), working together to deliver nature recovery at scale.

Collectively the successful projects aim to restore nearly 200km of rivers and protect and enhance 263 species such as water vole, otter, pine marten, lapwing, European eel and marsh fritillary. To help them finalise their delivery plans Defra is awarding the projects a share of around £12 million in development grants and will work with them to start implementation on the ground as soon as possible.

Property & Development

Residential rent freeze announced in Scotland

The Scottish government has announced a residential rent freeze until at least 31st March 2023 and a moratorium on evictions in order to support people in Scotland through the cost-of-living crisis. The announcement was made as part of the latest Programme for Government. It will be implemented through as yet unpublished emergency legislation and accompanied by a new tenants' rights campaign. John Blackwood, Chief executive of The Scottish Association of Landlords, has said the proposals 'will only further reduce the supply of housing, putting more people at risk. This is not a solution, it will only cause more hardship'.

Rural England Prosperity Fund launched

£110 million of funding has been allocated to supporting countryside communities across England. The Rural England Prosperity Fund will be delivered by local authorities and can be considered a successor to the LEADER funding previously provided by the Rural Development Programme for England. The funding is intended for projects which will boost productivity and create rural job opportunities. These could include farm businesses looking to diversify by opening a farm shop, wedding venue or tourism facilities, or capital grants for the provision of gigabit-capable digital infrastructure at rural hubs for community use. It would also support capital grants to restore local natural cultural and heritage assets and sites as well as the creation of new footpaths and cycle paths, particularly in areas of health need. This funding is part of the government's Levelling Up agenda, and will be available from April 2023 to March 2025. If you would like to discuss grant opportunities please contact [Ashley Lilley](#).

Business & Economy

Response to alleviate the energy crisis announced

Prime Minister Liz Truss has announced a new Energy Price Guarantee in order to support people in the UK with the rising cost of energy bills. From the 1st of October 2022, a typical UK household will now pay up to an average of £2,500 per annum for their electricity and heating energy bills for the next two years. This is automatic and applies to all UK households. This energy price cap is intended to save the average household at least £1,000 a year based on current energy prices and is in addition to the £400 energy bill discount for all households. Although, the impact on rural households is likely to differ due to the greater use of oil rather than gas for heating, and the fact that oil prices have not risen to the same extent as gas. A new scheme for all businesses and other non-domestic energy users will offer equivalent support for six months before focusing on the most vulnerable industries. However, it has been reported the businesses support may not start until November due to the complexity of the scheme.

The government intends to boost domestic supply in order to fix 'the root of the issue', with plans to launch a new oil and gas licensing round, lift the moratorium on UK shale gas production, accelerate energy supply from north sea oil and gas as well as nuclear, wind and solar and continue progressing up to 24GW of nuclear energy by 2050. The Climate Change Committee and the National Infrastructure Commission, which both advise the UK government, have sent a letter to Liz Truss, imploring her to stay focused on reaching net zero, and reminding her government must follow the principles laid out in the Net Zero Strategy.

Review of Net Zero underway

Chris Skidmore, MP for Kingswood, has been tasked with leading a review to determine whether the UK is working towards its 2050 net zero target in a way that is 'pro-business and pro-growth'. Liz Truss has said this will determine the most economically effective way for the UK to reach its net zero goals. Mr Skidmore is currently undertaking a 'Net Zero Tour' across the country. He told the Guardian 'as the former energy and climate minister who signed net zero by 2050 into law, I've been determined to show that net zero isn't just about going green; it is essential for future economic growth'. The report is due by the end of 2022.

Other Rural News

Tractor guard of honour for Queen Elizabeth II

Tributes to the Queen's 70 years of incredible service have been paid by organisations across the rural sector including county shows, breed societies and rural charities. The Queen had a deep connection to the countryside and served as patron or president for many of them. Dozens of tractors lined the route of the Queen's funeral cortege between Banchory and Aberdeen city, forming a guard of honour in the Aberdeenshire countryside to pay homage to the Queen. The tribute was organised by Rodney Blackhall, a farmer from Banchory, who came up with the idea the day before the funeral cortege and within a few hours had attracted the support of more than 40 farmers and their families in the Deeside farming community.

And finally...

Climate change is making us grumpier

Researchers have found hateful comments spike on social media when temperatures rise above 30°C. The research was conducted at the Potsdam Institute for Climate Impact Research. It analysed four billion geolocated tweets from across the US between May 2014 and May 2020. The researchers statistically evaluated the changes in daily 'hate tweets' against changes in local temperature, and found their prevalence was lowest at moderate temperatures (12 to 21°C) but with marked increases at hotter temperatures.

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



Molly Biddell
Policy Analyst
molly.biddell@savills.com
+44 (0) 207 409 9987

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.
