

Food & Farming

Call from food and farming companies to triple the rate of regenerative farming uptake

A collection of some of the largest food and farming businesses have signed a report led by the Sustainable Markets Initiative (SMI) calling for sector-wide action to stop ecologically harmful farming practices and instead to scale up regenerative agriculture. The SMI, established by King Charles III, is a network of global CEOs focused on transitioning markets to support sustainable outcomes. The report states regenerative farming needs to scale up three times faster by 2030 to address the threats of the climate and biodiversity crises. The report, which was released in advance of COP27, sets out an action plan for the private sector to accelerate adoption and create an environment in which it is a 'no-brainer' for farmers to want to farm regeneratively. The three reasons why regenerative farming is not upscaling quickly enough are deemed to be because the short-term economic case is not compelling enough for the average farmer, there is a knowledge gap in how to implement regenerative farming, and drivers in the value chain aren't aligned to encourage regenerative farming. The [report](#), signed by companies such as Mondelez, McCain Foods, McDonalds, PepsiCo, Mars Incorporated and Bayer, puts forward actions to break down these barriers to rapidly upscale regenerative farming.

Income increases for almost all farm types in England

In 2021-22 average Farm Business Incomes across England increased across all farm types except for specialist pig farms. There were more favourable growing conditions compared to 2020, which led to an increase in average income of 67% for cereal farms to £120,000. For dairy farms, average income rose by 52% to £140,000, driven by higher milk prices and lowland grazing farms recorded an increase of 85% for average incomes, rising to £34,000. This was driven by a rise in output from cattle and sheep enterprises. Average incomes for specialist pig farms however fell by 75% to £11,800 due to input costs rising significantly more than output prices within the sector. Across England, the average Basic Payment received was approximately £27,900, 2% lower than in 2020/21 and represented around a third of Farm Business Income. The figures relate to the 2021 harvest and financial years ending in February/March 2022 so precede the war in Ukraine and its impact on input and output prices.

£1.8 billion goes to waste on UK farms every year

WWF, in partnership with Tesco, has released new research that estimates almost three million tonnes of edible food, worth £1.8 billion and equivalent to over 18 million meals a day, goes to waste on UK farms each year. The Hidden Waste report shows on-farm food waste accounts for 10% of greenhouse gas emissions from UK farming, and producing this wasted food requires an area of land nearly half the size of Wales. WWF and Tesco are now calling for mandatory reporting of on-farm food waste, specifically for medium and large farm businesses, in order to track and accelerate reductions in years to come. The intention is for this data to inform changes to retailer and government policies, which often drive on-farm waste. Waste often occurs as crops are left in the ground due to labour shortages, or late notice changes to orders; over one million tonnes of the on-farm waste is associated with fruit and vegetable production. The [report](#) sets a target of halving on-farm food waste by 2030, in order to boost food security, drive down emissions and boost farmers' profits.

Policy

Consultation opens on further regulation of grouse shooting in Scotland

The Scottish Government is consulting on proposals to increase regulation on grouse shooting. A new Wildlife Management (Grouse Moor) Bill will implement the recommendations of the Werritty Report. The report made over 40 recommendations regarding grouse moor management, seeking to address raptor persecution and ensure grouse moor management is undertaken in an environmentally sustainable manner. The [consultation](#) seeks views on a possible new licensing scheme for grouse shooting and increased restrictions on muirburn including the requirement that muirburn can only be undertaken under licence. Views are also sought on proposals to strengthen the regulations governing the use of approved wildlife traps.

2023 round of Countryside Stewardship Facilitation Fund opens

The latest Countryside Stewardship Facilitation Fund has opened for groups of farmers and landowners across England. It can be used to fund a facilitator to help groups of land managers to work together and coordinate their

environmental scheme activities, share knowledge and to achieve greater collaborative environmental impacts than they would by working alone. Since the fund launched in 2015, 180 groups have been created, comprising over 4,000 members.

This year's round of the scheme includes support for action to support priority species, water management, and improve air quality by reducing emissions of pollutants such as ammonia. Groups of land managers need to choose a facilitator who will work with them for the duration of a three-year agreement. Funding is available for facilitators who will organise activities and bring support, advice and training to the group. Crucially the facilitator will coordinate the application for Countryside Stewardship funding on behalf of the group. The applications for the fund are competitive and have a deadline of midnight on 25th January 2023. Successful agreements will start on 1st June 2023.

Environment & Natural Capital

UK natural capital services worth £1.8 trillion

The Office for National Statistics (ONS) has released the latest UK natural capital accounts. In 2020, the assets of the natural capital services that the ONS can currently value were estimated to be worth £1.8 trillion. The total asset value is made up of three accounts: cultural (72%), provisioning (24%) and regulating (4%) services. Health benefits from recreation account for £600 billion of the total asset value. In 2020, air pollution removal services provided by nature led to an estimated 2,001 deaths being avoided and prevented 49,126 life years being lost. The UK's natural capital estimates do not cover all the services nature provides, and the ONS is continuing to develop ways to encompass as much of the economic value of the natural world as possible, but states it is a challenge.

Big Nature Impact Fund managers announced

Defra has appointed Federated Hermes and Finance Earth as the preferred fund managers to develop a new public-private impact fund to invest in restoring nature. The fund managers will now begin engaging with potential investors and project developers. Defra will continue to play a supporting role in the fund's development, it will provide seed investment to The Big Nature Impact Fund and have an active role in setting the fund's mandate and governance through a Limited Partnership Agreement with the fund managers and other investors.

Property & Development

Validity of notices to quit

A recent Court of Appeal judgement highlights the importance of ensuring notices to quit are accurate. The Mannai test based on a precedent from 1997 saves notices where the intention to serve on the correct recipient is clear even if it contains minor defects. However, the recent case *O G Thomas Amaethyddiath v Turner & Ors* [2022] EWCA Civ 1446 has narrowed its application. In this instance unbeknown to the landlord, the tenant of an Agricultural Holdings Act 1986 tenancy had assigned the agreement to a company of which they were the sole director and shareholder and resided at its registered address. The notice was served on the previous tenant at his home address (rather than the company as current tenant) and it was deemed that because the landlord could not have intended to serve the notice on the company it could not be saved by the Mannai principles.

Scotland's climate focused planning framework

The revised draft National Planning Framework 4 (NPF4) for Scotland has been tabled in the Scottish parliament, after a period of consultation. NPF4 sets out sustainable policies against which planning applications would be assessed for the next decade, with a shift to promoting developments which reduce carbon emissions and restore nature. There are proposals in NPF4 to enable more renewable energy generation in Scotland, facilitate the creation of cycling or walking routes, low carbon transport, more green spaces, regenerate cities and towns and implement the 20-minute neighbourhood concept. There are also proposals to help rural communities grow by building more local homes. NPF4 is intended to be a pivotal piece of policy in order to enable a Just Transition across Scotland.

Business & Economy

Savills commercial forestry market update launches

Savills latest commercial forestry market update shows during 2022 commercial forestry values rose further, with an average net productive value increase of 7.5% across England, Wales and Scotland to around £26,400 per hectare. The most significant value growth continues to happen in Scotland. However, early indications show a more modest increase than the extraordinary rate of average value growth recorded for the 2021 forest year. Larger scale and higher quality commercial forests continue to receive intense competition and tend to achieve higher average values. Looking back over the past 20 years there have been several external influences impacting the

way investors have viewed and behaved towards the commercial forestry market, with individual and cumulative impacts on the market. However, it appears that the core future driver will be timber prices, suggesting the market may have reached maturity. For more information, read our market update.

£10 million to support food and drink businesses in Scotland

£10 million has been granted to 33 food and drink businesses across Scotland to improve supply chain efficiency. Grants range from £16,000 to £1.4 million each, and the funding is derived from the Food Processing, Marketing and Cooperation grant scheme, part of the Scottish Rural Development Programme. Projects that were funded include increasing processing capacity at a dairy farm to meet the growing demand for its soft cheese, setting up a new venison processing operation and the installation of solar panels at a butchery premises to reduce their carbon footprint and minimise electricity costs. The focus of the funding is to help producers continue to deliver high-quality, innovative and nutritious products, securing and creating jobs and boosting the rural economy.

Other Rural News

All poultry and captive birds must be housed due to avian flu

The UK is facing its largest ever outbreak of avian flu, with over 200 cases confirmed across the country since late October 2021. As a result, all poultry and captive birds must now be housed in England until further notice. Bird keepers are required to shut their birds indoors and implement strict biosecurity measures to help protect their flocks from the threat of avian influenza, regardless of type or size. The wild bird risk across the UK has increased from high to very high and the risk to poultry with stringent biosecurity measures in place remains at medium. If people find one or more dead bird of prey or owl, three or more dead gulls or wild waterfowl or five or more dead birds of any species in the wild, they are advised to report it to the Defra helpline (03459 33 55 77) to help monitor how the disease is spreading in wild populations across the UK.

Scotland: Small landholdings modernisation

Small landholdings are a part of Scottish agricultural and national heritage, and the Scottish government is determined to retain them as part of Scotland's future. The last Small Landholding Act was in 1931 and as a result they have fallen behind the legislative modernisation process that crofting and tenant farming have benefited from. The Scottish government is [consulting](#) on plans to modernise their unique legislative status to ensure small landholders have comparable rights with other types of land tenure, and the opportunity to contribute to wider objectives. It believes there are approximately 59 small landholders in the country.

And finally...

100% rise in women studying farming at agricultural college in Northamptonshire

Moulton College in Northamptonshire says its number of trainee female farmers has doubled in the past two years. Louise Fletcher, head of school for land and equine studies, said more women posting about careers on social media was having a positive effect. Enrolment of full-time students aged 18 to 21 on agricultural courses has gone from 49 in 2020-21 to 86 in the current academic year. Within those figures, the number of women has risen from nine to 21. Increasing the visibility of women within the rural sector has a positive feedback effect and will hopefully encourage more women to join the sector.

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