

Food & Farming

A regenerative pilsner

Arable farmers across the UK will grow 7,000 tonnes of 'regenerative barley'. The Carlsberg Marston's Brewing Company (CMBC) is transitioning towards 100% regenerative barley (barley grown with regenerative methods) in the UK by 2031 and has now contracted 23 farmers in the first step towards that goal. Meeting the goal will consist of achieving 100% regenerative barley for Carlsberg Danish Pilsner by 2027, and for all UK brands by 2031. A regenerative protocol has been developed that considers the specific requirements for UK farmers. The Carlsberg Group has also announced similar regenerative targets for France and Finland. In France, 45 farmers are supplying 'responsible barley' to be used in its Blonde brews.

UK could not handle a second outbreak

The UK could not deal with a second animal health emergency alongside the ongoing avian flu outbreak. That is the opinion of British Veterinary Association (BVA) president, Dr Malcolm Morley, who said the industry had 'held its breath' in June over a possible Foot and Mouth Disease outbreak in Norfolk. He encouraged the government to stick to its commitment to deliver the Kept Animals Bill in the coming months, saying it could have a significant impact on a range of areas such as livestock worrying, licensing and animal welfare.

There are concerns around a number of diseases and parasites at present. Dr Morley expressed concern around the rapidly rising cases of imported dog disease *Brucella canis*. Dozens of cases were reported in 2022, including the UK's first known example of dog-to-human transmission. Dr Morley said measures within the Bill to prevent the import of puppies and pregnant bitches would contribute to reducing that risk, as would pre-import testing.

A recent cold snap across the UK could mean a spike in nematodirus risk is to come for some sheep flocks, particularly if temperatures rise quickly afterwards. The parasite that causes nematodirus hatch once the weather exceeds 10 degrees Celsius, which may impact young lambs without immunity. Farmers and vets are encouraged to use the Sustainable Control of Parasites in Sheep (SCOPS) nematodirus forecast tool to identify risk level and to act accordingly.

Fuels of the future

In July 2021, the Government published its Transport Decarbonisation Plan to outline a plan towards achieving a net zero transport sector. A House of Commons Committee report has now been published on the topic, recommending a policy of 'targeted technology investment' to make strategic investments in new technologies that offer evidenced solutions to lowering emissions and consequently remove uncertainty for private companies looking to invest in new technologies. The report states that the current "technology neutral" position has been a barrier to investment due to the risk of investing a technology that may not be the eventual 'winner'.

The latest Market in Minutes from Savills Research considers the [Future of Farm Fuels](#). Retailers, food processors and the government are increasingly expecting farmers to improve the sustainability of their businesses to help cut the carbon footprint of the final product. The relative cost of diesel compared to its sustainable alternatives is also likely to increase, accelerating the case for investment in an alternative. This Market in Minutes looks at the emerging contenders for the farm fuel of the future and provides a matrix to help farmers evaluate which option to invest in.

Ban sheep says former advisor

Ben Goldsmith, brother of former Conservative MP Zac Goldsmith, has said sheep "have got to go" in a widely criticised post on Twitter. Mr Goldsmith was appointed as a non-executive board member for Defra in March 2018. He is also CEO of Menhaden Capital Management LLP which manages the Menhaden Capital plc investment trust. He went on to say sheep were an obstacle in the way of meaningful nature recovery and the reintroduction of lynx and wolves. He also blamed sheep grazing for the lack of wildflowers and birdsong, as well as soil compaction and flooding.

Policy

Budget 2023

Chancellor Jeremy Hunt has laid out his “budget for growth”. In his address to Parliament, he laid out a number of key policies designed to address immediate concerns around the rising cost of living and to encourage longer term growth.

The decision to abolish the limit on what can be accumulated within pensions has been welcomed by some rural groups who say this will help farming families plan for succession.

A freeze on fuel duty has also been welcomed, with rural bodies pointing out that rural communities are more heavily reliant on fuel and personal transport than their urban counterparts. In contrast, a lack of announcements around tax allowances and the consequent likelihood of fiscal drag has been criticised as heaping pressure on families, rural and urban alike, at a difficult time. Similarly, the freeze on child benefit is causing more families to repay or opt out of child benefit as wages increase to keep up with inflation.

The budget did announce a consultation on whether 100% agricultural property relief from inheritance tax (IHT) should apply when farmers make long-term changes from agricultural to environmental land use. This has been a major sticking point for those considering entering into Environmental Land Management schemes or other natural capital based agreements. The call for evidence and consultation will run until 9 June 2023.

Besides the consultation, rural-specific policies were few and far between, which has drawn criticism. NFU president Minette Batters said Jeremy Hunt’s Budget “fails to address the needs of agricultural and horticultural businesses”, and questioned where boosting Britain’s food security fits into the Treasury’s growth plans. The Energy Bill Relief Scheme is ending in March to be replaced by the Energy Bills Discount Scheme, amounting to a significant decrease in support for businesses battling with rising energy costs.

Birds to be registered

All poultry keepers may soon have to officially register their birds and update their information on an annual basis. The consultation on this proposal will run until 31 May 2023. At present, only those who keep 50 birds or more are required to register their birds, however this proposal would see the requirement extended to all bird keepers, irrespective of the number of birds. Owners of backyard flocks, birds of prey and pigeon fanciers would therefore be affected, but not those who keep pet birds entirely within a domestic property.

The move is in response to one of the worst avian influenza outbreaks on record. The chief veterinary officers of England, Scotland and Wales say the measures would make it easier to track and manage the spread of avian influenza in the event of future outbreaks as keepers would receive regular updates. They would also be provided information on biosecurity rules to help protect their flocks from the threat of bird flu.

Environment & Natural Capital

Forestry funds launched

Applications for the Woods into Management (WiM) Forestry Innovation Funds and the Tree Production Innovation Fund have now opened. £4 million will be allocated to successful applicants across both funds with the goal of improving biodiversity, boosting nature regeneration and supporting tree production.

The WiM funds include a Timber in Construction Innovation Fund, supporting projects which increase and facilitate the use of English timber, and new funds to support new business models and supply chains for ash timber to help restore woodlands damaged by ash dieback. A series of regional funds will support projects that enable the active management of woodlands where previously not possible. Applicants can submit proposals spanning up to two financial years (ending March 2025), with individual projects valued at up to £100,000 per year.

The Tree Production Innovation Fund will look to support projects striving to enhance the quantity, quality and diversity of tree planting stock available for planting in England. Applicants are again invited to submit multi-year proposals spanning up to two financial years (ending March 2025), with projects valued at up to £200,000 per year.

A new climate change hub for the forestry sector has also been launched by Defra, Forest Research, Scottish Forestry and Welsh Government. The hub is designed to centralise information on forestry and climate change

adaption and features UK Forestry Standard guidance. The information is there to support landowners, woodland managers and forestry practitioners in addressing climate change threats.

Non-native plants outnumber British flora

Just over half of Britain's plant species are now non-native (51%). Plant Atlas 2020 is a 20-year research project from the Botanical Society of Britain and Ireland (BSBI) involving almost 9,000 botanists and comprising of 30 million records considering 3,445 species. Those records have revealed the following changes since the 1950s:

- Non-native plants now outnumber native plants in the wild
- Many of these non-native species are benign, however some are considered invasive and are disrupting native ecosystems
- 53% of native plants, including Heather and Harebell, have declined in Britain
- Climate change is having a mixed impact. Many montane plants have declined, however some southern species have benefited and expanded into more northerly regions

Property & Development

Scotland: Rent cap approved

Private rent increases will be capped at 3% in Scotland. This is one change that will be introduced as part of the Cost of Living (Tenant Protection) Act that has been approved by MSPs. From 1 April 2023:

- Landlords will be able to apply for an increase of up to 6% to cover certain costs in defined circumstances
- Enforcement of evictions will continue to be paused for up to six months except in certain circumstances
- Increased damages for unlawful evictions of up to 36 months' worth of rent will continue to apply

These measures will be extended to 30 September, provided they remain necessary, with the option to extend for another six-month period if required.

Flooding bill could increase 20%

The annual damage caused by flooding could increase by more than a fifth in today's terms over the next century. That is according to new research from Bristol University and Fathom, a company that assesses flood and climate risk. The research resulted in a "future flood map", showing which regions stand to be impacted more greatly by flooding as climate change takes its toll. Even if climate change pledges are met, places such as south-east England, north-west England and south Wales are set to experience significantly increased flooding. The map accounted for terrain, river flow, rainfall patterns and sea level and combined this with Met Office climate predictions over the next century.

Business & Economy

HS2 delayed

HS2 has been delayed by two more years due to soaring costs. Parts of the HS2 line between Birmingham, Crewe and Manchester will be "rephased" by two years, meaning the line to Crewe may not be open until 2036, and Manchester not until 2043. The decision is designed to control inflationary pressure and reduce government debt. However a leaked government document suggests the decision is likely to cost jobs, increase the risk of construction firms going bust and lead to compensation claims against the Department for Transport.

The NFU said farming families living on the route have experienced disruption, delays and spiralling costs. According to David Exwood, vice president of the NFU, "HS2 is still failing to provide relevant information to farmers meaning they do not know what land is being taken as part of this project, for how long, and when it will be returned". Compensation claims are also slow to progress, heaping financial pressure on farmers who are already facing uncertainty in the face of spiralling input costs and the evolving farming policy.

Impasse broken in trade talks

Issues around agricultural market access had been a key obstacle in the UK's admission to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) trade bloc. Canada had blocked an agreement in principle on Britain's accession over the issue and called for Britain to offer similar market access as it did with Australia and New Zealand in early post-Brexit pacts, particularly with respect to beef markets. It now appears that Britain's trade chief Kemi Badenoch and her Canadian counterpart Mary Ng have resolved those differences and are now moving to wrap up final negotiations. While the details have not yet been revealed, it seems to bode well for Britain joining the 11-nation trade bloc and less well for UK beef producers.

Other Rural News

And finally... Warm wooden windows

Filling our windows with wood, even if it improves their energy efficiency, seems counterintuitive. When it comes to windows over walls, we willingly sacrifice some thermal efficiency to imbue our homes with an equally useful property; light. What if we could have the best of both worlds? Scientists have now created a transparent aerogel from wood which could fill the void in double glazed windows and make them as energy efficient as walls. This wood-based filler is composed of cellulose nanofibers and creates pockets of air that improve heat retention without compromising visual quality.

<https://www.newscientist.com/article/2364723-windows-filled-with-see-through-wood-layer-help-hold-in-heat/>

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