Agriculture Task Group progress report

1. Background

The County Council's Place Scrutiny Committee published the report of the <u>Agriculture Task Group</u>, in January 2017, highlighting the key challenges facing the agriculture industry in Devon. The Task Group made several recommendations asking Government to stand up for agriculture and to support Devon's rural communities and farmers into a sustainable future (see Appendix for a full list of the Task Group's recommendations).

2. Meeting with MPs

Following Cabinet approval of the recommendations in February 2017, a letter was sent to all Devon MPs enclosing a copy of the Task Group report. Feedback from MPs was positive and supportive of the Task Group's objectives, and as a result the Task Group Chair was invited to discuss the report's findings and recommendations at a meeting of the South West Conservative MPs group in Westminster.

The Task Group Chair Councillor Brian Greenslade presented the Task Group report to this meeting on 4th December 2017, accompanied by Cabinet Member Councillor Andrea Davis and Peter Doyle (Head of External Affairs). Representatives of the CLA and NFU were also present and joined the discussion.

MPs welcomed the cross-party approach and the report's findings and recommendations.

Brexit and its associated impact on the agricultural industry and food production was a key discussion point with all parties agreeing that the industry needed clarity over this issue. Farming's stewardship and land management role, the need to drive up agricultural productivity, improve food security, trade, as well as challenges around housing, financing and succession were all recognised as key issues for the future of farming in the South West and nationally.

3. Future Domestic Agricultural Policy and Trade

The Secretary of State for Environment, Food and Rural Affairs has promised a 'green Brexit' and to create a new policy statement setting out some guiding environmental principles¹, which will heavily influence the replacement of the Basic Payment Scheme (BPS) and the UK's domestic agricultural policy post Brexit. The Secretary of State has stated that he expects farm payments to be earned through positive environmental practices, rather than being based on land ownership², and has recently launched a consultation on the future of agricultural subsidies. It is anticipated that DEFRA will run a number of consultation events around the country and the County Council is currently considering how best to respond and having discussions with LEP partners

¹ http://www.telegraph.co.uk/news/2017/11/11/outside-eu-will-become-world-leading-curator-precious-asset/

² http://www.bbc.co.uk/news/science-environment-40673559

The NFU, along with other farming bodies, continue to lobby government calling for a domestic agricultural policy which focuses on improving agricultural productivity and tackling key barriers, which recognises that farms will be in the best position to manage land for environmental benefit if they are profitable, competitive businesses, and which provides a resilient and relatively stable income profile upon which farmers will have the confidence to invest in productivity as well as to deliver public goods³.

In terms of trade, the NFU has campaigned for a free trade agreement with the EU that maintains two-way tariff-free trade in agricultural goods, although also recognises that the World Trade Organisation default position could also have a positive impact on farm incomes⁴.

Talks over how the UK will trade with the EU following its departure are ongoing, and a great amount of uncertainty remains about the impact of this on the agricultural industry.

4. SW Rural Productivity Commission

The SW Rural Productivity Commission⁵ was established by the Heart of the South West, Cornwall & Isles of Scilly, Wiltshire and Dorset LEPs to explore and understand how the economy in rural areas of the South West was performing and identify opportunities to stimulate growth. The Report of the Commission highlighted the agri-food economy as an existing strength in the South West which presents a real opportunity for growth.

One of the Report's strategic recommendations was to establish a South West Task Force to take forward the work of the Commission and the four LEPs are currently working towards this. Agriculture will be a key focus for this group.

Councillor Brian Greenslade
Chair of the Agriculture Task Group

³ https://www.nfuonline.com/assets/100873

⁴ https://www.nfuonline.com/assets/96747

⁵ http://heartofswlep.co.uk/wp-content/uploads/2017/10/HotSW-14332-A4-Overview-report-digital-doc-FINAL.pdf

Agriculture Task Group Recommendations

Recommendation 1

Farmers need to have greater clarity over what will happen to farm subsidies post Brexit, so that they can plan for the future of their business.

How?

During the first half of 2017, the Government should provide farmers with a clearer idea of what subsidy/support payments will be available to them after 2020.

Recommendation 2

Farmers need to get a fair and consistent price for their produce, so that they can plan for the future, invest in their business and grow their industry.

How?

The Government needs to negotiate provision within world trade for permitted subsidies and marketing boards, which will support profitability to the point of national self-sufficiency.

Recommendation 3

Post Brexit, the Government needs to support and promote positive farming practices, which will push the industry to innovate and thrive, increasing food security and self-sufficiency.

How?

The creation of a system of financial support which supports and promotes innovations in farming, diversification, practical environmental stewardship and increased productivity in areas such as fruit and vegetables.

Recommendation 4

Agri-environment schemes need to be fit for purpose, practical and attractive to farmers, balancing farming needs alongside environmental outcomes.

How?

When environmental/countryside stewardship schemes are reviewed, DEFRA and Natural England need to draw more greatly on the experiences and knowledge of those who live and work in agriculture and in the countryside.

Recommendation 5

Young farmers and new entrants need support to fund the necessary upfront capital investment in stock, machinery and other expenses needed to begin their farm business.

How?

Government should provide young farmers and new entrants with financial support through the introduction of cheap, long term loans, tax breaks and capital allowances.

Recommendation 6

Affordable and flexible rural housing must be made available, to make living and working in the countryside viable for young people, and to support agricultural succession and retirement.

How?

(a) Planning policies should make allowances for the building of either a retirement home or affordable housing (targeted at those working in agriculture and related industries),

allowing the older generation the option of a gradual move into retirement and to facilitate succession and other options for young farmers such as farm sharing;

(b) Devon's Local Planning Authorities should make greater use of the national Rural Exception Site policy, which provides flexibility within the planning system to allow housing to be delivered in response to clear local need.

Recommendation 7

A greater public understanding of farming, food production and the contribution of agriculture to the economy, tourism and the wider public benefit needs to be established in Devon.

How?

- (a) The County Council should promote the wider public benefit of farming, and to take a greater role in the promotion of local food;
- (b) The County Council should make informative talks and/or farm visits available to officers and members, in partnership with the NFU;
- (c) The County Council should encourage and support Devon schools to organise farm visits for pupils.