

Land Business Update

Week commencing 2 October 2017

Farming

Lion's share of payments to farmers will be for the environment, says Gove

"My view is that we should use some of ... the money to sustain and boost agricultural productivity. But the lion's share ... should go to farmers to help them to do the right thing environmentally." Separately, when speaking to the House of Commons' Environment, Food & Rural Affairs Committee, he said that agricultural interests will not be traded away in return for a good deal on financial services as the UK has a trade deficit on food (i.e., hinting that the EU has more to lose than the UK in terms of food). He also restated that he is pushing for "tariff-free and non-tariff barrier free trade with the EU" in food and that animal welfare standards would not be diluted in the future. He also confirmed that a white paper on agriculture would be published early in the New Year as the precursor of the Agricultural Bill, due in May/June 2018.

Canada-EU trade deal (CETA) enters into force – provisionally

CETA will start fully once all Member States have individually ratified it. The EU has restated that it sees the deal as the trade model it wants to support – one that increases trade and growth but also 'projects' EU values, which is code for protecting some EU sectors, including land use and farming. The EU has estimated that CETA will cut the amount paid in tariffs by EU producers to Canada by about €590m a year; however, analysis for a French farming union says that higher Canadian beef imports will hit the already weak European livestock sector, that there are technical barriers that could prevent European cheese being exported and that the deal is 'silent' on animal welfare, nutrition and using antibiotics to promote growth. Deals are much more than headlines about tariff levels!

Should pesticide regulation change?

The chief scientific adviser to Defra has said that regulators should not assume that it is safe to use pesticides at industrial scales and across whole landscapes just because they have been authorised. Writing in a personal capacity (i.e., not on behalf of Defra) in an article in Science, he said that he wants to stimulate a debate on regulation as there is currently no limit on how much pesticide can be used. He also suggested changing monitoring so that their long-term effects in the environment can be checked; this would be similar to regulation in medicine, where there is rigorous global monitoring once a medicine has been approved. A UN report (March 2017) accused global chemical firms of "systematic denial of harms" and heavy lobbying of governments which has "paralysed global pesticide restrictions".

Farming and environment

Countryside Stewardship Facilitation Fund opens for applications

The fund encourages landowners to think and work together to deliver environmental benefits over a landscape. So far 61 groups have been set up, involving 1,350 land managers (so roughly 20 per group) and covering 273,000 hectares (so an average of 4,475 ha per agreement, or 500 acres per land manager). This is a great way of delivering some benefits, such as reducing flood risk to the farms and local settlements, or encouraging pollinators or predators to eat pests, which work best at a landscape scale. Make an application by 14 November.

Energy

Scotland: Wider focus than electricity generation needed to remain world-leading

Scotland needs to do more in sectors such as transport, agriculture and heat for non-residential buildings if it is to remain a world-leading country, according to the Committee on Climate Change (CCC), an independent adviser to the Scottish and Westminster governments.



Britain's first subsidy-free solar farm opens in Bedfordshire

The park generates 10 megawatts from 45 acres of solar panels, of which 6 megawatts can be stored in batteries and so benefit from higher electricity prices paid at peak times. It produces enough energy for 2,500 houses. The Times reports that dozens more similar plants are planned. This park is able to be profitable without subsidies due to lower prices for solar panels, the development of battery storage, and sharing grid connection with another park. This comes in the same week that National Grid said that more than half of the UK's electricity came from renewables in the three months to 22 September – the greenest summer ever!

Forestry

Forestry can play a significant role in managing climate change

MEPs have supported a proposal that CO₂ absorption should exceed emissions in all Member States, in line with the EU's long-term climate objectives and the UN Paris climate deal. This means that when any forests are cut down, they must be replaced by new plantings or by improved management of existing forests, to ensure an equivalent absorption of CO₂ in the atmosphere. The issue is often called emissions from land use, land use change and forestry (LULUCF). While the proposals have been broadly welcomed as a positive step, Birdlife International has said that there is a risk that 'rigged accounting' will hide emissions. If done properly, this is exciting and reinforces one of the values that trees deliver. It is unclear how the policy will be applied on the ground and we will keep a watching brief.

Planning

£5.5m a year available to help produce neighbourhood plans

The Government funding will provide specialist support to communities to help produce neighbourhood plans. The funding has been welcomed by the Royal Town Planning Institute. Since 2012, over 2,000 communities have started to develop neighbourhood plans, covering over 12m people. 400 successful neighbourhood planning referendums have now taken place. Please call [John McLarty](#) if you would like more information or to discuss a neighbourhood plan for your community.

Rural economy and planning

Fewer rural affordable homes being build, as CPRE questions planning system

The CPRE has questioned why developers claim financial constraints prevent them building affordable homes at a time when their profit levels are at record levels – £2.2bn for Britain's three biggest builders. Viability assessments, which developers produce to show how providing affordable homes affects the financial return from schemes, are usually subject to confidentiality agreements as developers say they are commercially sensitive. However, The Times claims that the Government has accepted that 20% is a reasonable profit margin for a developer and so will not support affordable housing schemes that generate a lower return for developers. Affordable homes were 17% of all homes built in 2016, which is lower than the 22% level in 2012. 26% of new homes in the countryside were classed as affordable over the past three years and CPRE claims that 46 too few affordable homes are built in the average rural authority each year – which totals a shortfall of 6,670 homes a year in England's 145 rural authorities.

Rural economy

Building Rural Communities Landowner Conference, Cheltenham, 16 October

Landowners are vital to bringing forward land for housing in rural areas. The National Housing Federation, which represents housing associations, is holding a conference on how housing associations and landowners can work together to deliver affordable housing. Strutt & Parker representatives are speaking at this conference and it would make it more valuable if as many landowners attended as possible. [Find out more here.](#)