

Agricultural and Rural Affairs Bulletin

Welcome to the Lamont Pridmore Agricultural and Rural Affairs Bulletin, our regular publication keeping you up to date with the latest developments relevant to this sector. For further information on these or any other farming or agricultural-related issues, please contact us on **0800 234 6978** or visit **www.lamontpridmore.co.uk**

Government introduces new Agriculture Bill

The new Agriculture Bill has been introduced to Parliament – establishing a new system of funding for the industry to replace the current EU-led system.

The Bill explores how the agricultural sector can boost productivity and encourage farmers to make improvements to the environment and social needs once the UK has left the European Union (EU) on 31 January 2020.

Farmers will have seven years to adjust to the new system, as the new legislation includes a stronger emphasis on land use, as well as improvement in the tracing of livestock movements.

This will include factors that maintain high welfare standards as well as rewarding farmers for their contributions to better air, soil and water quality, as well as developing new habitats for wildlife.

The new system is set to replace the current subsidies system of Direct Payments, which has been seen to benefit some of the richest farmers.

Theresa Villiers, Secretary of state for the Environment, Food and Rural Affairs said the revised bill “Was one of the most important environmental reforms for many years”.

“We will move away from the EU’s bureaucratic common agricultural policy and towards a fairer system which rewards our hard-working farmers for delivering public goods, celebrating their world-leading environmental work and innovative, modern, approach to food production,” she said.

However, one point in the legislation that may bring concern to many farmers is there is no binding commitment to prevent trade deals being agreed that allow the import of food produced at lower standards than those demanded of British farmers.

This had been one of the key demands that British farmers had following Brexit as they could be undercut by cheap imports from the US and Asia where there are much lower food safety and animal welfare regulations.



Government and mobile providers propose £1bn of funding to boost 4G in rural areas

Rural communities struggling with poor mobile connectivity have been offered hope after the Government and mobile phone companies propose £1 billion of funding to improve 4G coverage by 2025.

The UK's leading mobile operators have pledged £530 million for a Shared Rural Network if the Government is willing to match their investment.

EE, O2, Three and Vodafone would operate the Shared Rural Network that would ensure a network of new and existing phone masts could be operated by them together – a world-first.

It is thought that the creation of the network would help to connect 280,000 homes and businesses and 16,000km of roads that currently lack 4G coverage or receive a poor signal.

Several rural bodies believe that better connectivity makes flexible working easier and could boost regional economic growth in rural areas of the UK.

Digital Secretary Nicky Morgan said: "We are determined to make sure no part of the country is left behind when it comes to mobile connectivity.

"We are closing in on a deal with the mobile network operators so those living in rural areas will be able to get the fast and reliable mobile coverage they need and deserve.

"Brokering an agreement for mast sharing between networks alongside new investment in mobile infrastructure will mean people get good 4G signal no matter where they are or which provider they're with."

The deal is yet to be finalised as the proposal is subject to legal agreement, but the Government has strongly indicated that a formal agreement could be reached next year.



Future Direct Payments confirmed for 2020/21 and 2021/22 financial years

The Treasury has now confirmed £2,852 million of funding to the farming sectors across the 2020/21 and 2021/22 financial years to replace funding from the European Union.

This funding will allow for the delivery of Direct Payments 2020 for farmers at the same level as the 2019 scheme.

The 2020 Direct Payment scheme across the EU will be funded from the next Multiannual Financial Framework, which means that in the UK, the 2020 scheme will be funded domestically by the UK Government.

To provide certainty for farmers, the Department for the Environment, Food and Rural Affairs and the Treasury has

announced that the following funding will be allocated:

- £1,751 million in 2020/21 and £92 million in 2021/22 for the Department for the Environment, Food and Rural Affairs;
- £449 million in 2020/21 and £24 million in 2021/22 for the Scottish Government;
- £231 million in 2020/21 and £12 million in 2021/22 for the Welsh Government; and
- £279 million in 2020/21 and £15 million in 2021/22 for the Northern Ireland administration.

The Government has confirmed that funding will be ringfenced for Direct Payments and is based on an exchange rate of £1 = £0.89092, the same rate as used for Direct Payments 2019.



Migrant worker salary plan not sufficient warns farming organisations



Farmers across the UK have said that Government plans to reduce the salary threshold for immigrants by more than £4,000 'fall short' of the needs of the industry.

Under the current rules, migrant workers arriving in the UK from outside the EU must have a job offering at least £30,000 in pay.

However, the Government's Migration Advisory Committee says the threshold should be reduced to £25,600 for all workers after Brexit as part of reforms to the Visa system to help prevent labour shortages.

The farming sector and connected customers, such as food processors, rely heavily on migrant labour, but the proposed salary of £25,600 is well above the wages that most in these sectors can offer.

The Country Land and Business Association (CLA) said the report and its recommendations were a positive step, but it said it did not go far enough in securing the needs of the rural sector.

CLA president Mark Bridgeman said: "Many rural industries are facing labour shortages in low-skilled and low-paid sectors, threatening to

damage businesses and limit economic growth.

"It is the Government's job to ensure rural businesses have access to the workers they need to operate."

He believes that the UK's new immigration and Visa system should be less rigid and take into consideration the need for unskilled workers.

The Food and Drink Federation (FDF) has suggested that the Government should, instead, create a "going-rate" system that would allow businesses to recruit the talent at all skill levels.

FDF chief operating officer Tim Rycroft, said: "The new immigration system must also be accessible for the many food and drink manufacturers that would be recruiting via an immigration system for the first time.

"EU nationals currently make up one-quarter of our 430,000-person workforce, and a survey of our members showed that 95% employed EU nationals without the need for visas.

"Many of these will be small or medium-sized businesses that are unable to afford expensive legal fees, and the new system must be streamlined to reflect this."

£22m released for farmers looking to boost productivity



More than 3,600 farmers are to benefit from £22 million to help with the purchase of new and innovative farm equipment intended to boost productivity.

The Countryside Productivity Small Grants scheme is designed to help farmers improve efficiency by allowing them access to between £3,000 and £12,000 to purchase equipment such as livestock monitoring cameras and other cutting-edge farming technology.

Defra's farming minister George Eustice has confirmed that all round two applications that were eligible for funding had been approved and that the Rural Payments Agency had written to the 3,677 successful applicants to make them aware.

During the latest round of funding in 2019 new items were added to the list of the equipment available for the Small Grants scheme. They were focused on minimising

soil compaction in fields, monitoring ammonia levels in farm buildings, and increased machinery precision when applying slurry.

First-Round funding which opened in 2018 also raised £15 million for farming businesses, while a third and final funding round is due to open in autumn 2020, after payment claims for the latest round of funding are processed by the end of May 2020.