

Land Business Update

Week commencing 31 April 2018

Farming

CAP post 2020: capping back on the agenda and lots of new acronyms, according to leak

The EU is considering redistribution of 'income support' from bigger to smaller farms, including capping payments at €60,000 per farm, so there is a 'more balanced distribution', according to a leaked draft. Other proposals are supporting new entrants, a new approach to greening (although its basis is likely to remain that farmers will get payments per hectare for exceeding minimum environmental standards) and greater training and tools to help farmers manage risks (although this will be at Member States' discretion to implement). These will help deliver nine EU-wide objectives for the CAP; these do not seem very different from the objectives for the 2014-2019 programme. The proposals are expected to be published in June, after the proposals for the next budget, which is affected by Brexit, is published in early May. Phil Hogan, the EU farms commissioner, repeated his defence of payments to farmers as rewarding them for their contribution towards climate change and other society challenges.

Governments seek derogation from three-crop rule

The English and Scottish governments want to cancel the three-crop rule requirement for 2017/18 due to the wet conditions which have affected planting throughout the UK. The weather has also affected drilling and agronomy programmes (see below).

Agronomy update: wheat spray programmes and other jobs to prioritise

Owing to the wet March and early April, prioritising workload is key over the next week. Where wheat has not received a fungicide at T0, an early T1 will be required with a following spray at T1.5 potentially required when leaf three is fully emerged. Growers should ensure they check the growth stage of their groups to ensure accurate application timing, as it is imperative to have leaf three protected. Second split nitrogen should be applied. Other jobs to be prioritised are:

- Winter barley T1 and growth regulators
- Chocolate spot and volunteer control in winter beans
- Control of weevils in spring beans, possibly with trace elements if required
- Fungicide at flowering on oilseed rape that did not receive a pre flower fungicide; but be careful where slug, CSFB or pigeon damage has left a crop with varying growth stages across a field
- Black grass control in spring cereals, where necessary.

Please contact [Jock Willmott](#) if you would like to discuss day-to-day or strategic agronomy.

Economy

Free-trade deal with the EU is critical to the food and drink sector

The House of Commons Business, Energy and Industrial Strategy Committee says such a deal would help maintain regulatory, trading and standards alignment with our largest trading partner. It concluded that, if no trade deal could be agreed, falling back on World Trade Organisation tariffs would 'seriously jeopardise the competitiveness of UK exports' and raise food prices in the UK. The industry employs 400,000 people and is the UK's largest manufacturing sector. The Committee also said that the Government should aim to replicate existing EU trade deals with third countries. The report has been welcomed positively by the Food and Drink Federation.

Energy

Target for volume of biofuels used in the UK each year doubles

The proportion of biofuels used in the UK, which is set by the Renewable Transport Fuel Obligation, will double from 4.75% to 9.75% by 2020 as planned. The policy aims to cut carbon emissions from road and air freight. It will increase again, to 12.4%, by 2032. It is unknown how this will affect cereals markets.



Environment

Water Environment Grant now open for applications in England

This scheme, which is part of the Rural Development Programme for England (RDPE), provides funding to improve the water environment in rural England. There is a detailed list of scheme priorities, which include:

- creation and restoration of water-dependent habitats, such as watercourses, lakes and wetlands, including peat restoration and creating new wetlands
- removing barriers to fish movement, including modified channel restoration
- managing the source of water pollution, including diffuse pollution and sediment management
- removing or reducing non-native species where they are a problem
- sustainable use of water resources, including protecting ground water
- support to help change agricultural practices, including farm advice

Grants cover up to 100% of eligible costs. There is no minimum grant and a maximum of £2m per project. It is open to applicants, including farmers and land managers, until 11 May 2018. Please contact [Seb Murray](#) if you would like to discuss the scheme's priorities or making an application.

Property

Scotland: compulsory sale orders proposed for abandoned land and buildings

The Scottish Land Commission is developing proposals to introduce a new compulsory sale order so that councils can take over abandoned buildings and small plots of land, and then sell them to bring them back into 'productive use'. The Commission has estimated that there are 30,641 acres of such land in Scotland. There will be a consultation on the proposals, which are being developed with the Scottish Government.

Rural economy

Grant funding still available through the Rural Development Programme for England

A direct seed drill, irrigation pump and distribution main, and the conversion of a cattle barn into four studio apartments and meeting room are just a few examples of projects for which Strutt & Parker has successfully won grant funding. For an overview of the grants available, please www.struttandparker.com/rdpe.

Residential

Labour publishes *Housing For The Many* green paper on housing policy

The paper proposes increasing the ability of councils to borrow money to build affordable homes, with a target of 100,000 a year for 10 years, as well as ending the right-to-buy council houses and changing the way the viability of developments is assessed. It also proposes much greater government scrutiny of housing delivery.