

sun shining on new opportunities

A search is underway for sites to house the UK's biggest solar energy parks. Environmental and rural development consultancy ADAS is leading the search, which could represent a valuable opportunity for farmers and other land owners. The search is initially covering Southern England and South Wales, and 12 potential sites have already been identified. Owners of suitable sites could be offered a 25-year lease agreement providing them with a long-term revenue stream.

The solar energy parks will be installed by photovoltaic (PV) developers Enfinity. PV utilises solar panels to convert solar radiation into direct current electricity. Sites need to be large, south-facing, flat, have minimal visual impact, and allow adequate electrical connectivity.

The lease payment a farmer can receive for allowing a developer to

site a solar park on their land can often exceed the income land can generate from agricultural uses. A typical lease can be around £1,000 to £2,000 per acre per year. It is also possible for farmers to obtain consent to install their own solar park, although most will work with developers.

A relatively small park with a capacity of around 1 megawatt (MW) will require about two to three hectares of land and cost developers around £3 million to build. A park of this size generates enough energy to power around 300 homes.

The launch of a Government scheme that pays a guaranteed feed-in tariff for solar energy power generation has accelerated interest in developing solar parks, and developers are actively approaching land owners.

Developers are in a rush to set up their farms as the feed-in tariff rate of 29.3p per kWh will drop to 26.8p per kWh in April 2012. As a result, land owners have been warned against signing agreements with speculative developers who may not have the ability or the funding to complete the project.

The UK does not yet have any operating solar parks, although the first is currently being developed by 35 Degrees on the site of a disused tin mine in Cornwall.

ADAS has been searching for sites for six months, and hopes to receive planning permission for the first four parks in the first half of 2011. ADAS plans to develop parks with a combined capacity of 50MW during 2011, requiring around 150 hectares of land.

For more information on solar parks go to:

<http://snipurl.com/1tlts3>



EU supports dairy farmers

The European Union (EU) has adopted measures proposed by the High Level Experts Group On Milk to provide dairy farmers with more bargaining power when it comes to selling their produce.

The measures were proposed following the dairy price crash of 2008, which saw many dairy farmers go out of business as selling prices fell below production costs. The proposals include the option for written contracts between producers and processors which can specify the prices to be paid to the farmers, ways of varying the price, timings, delivery volumes and the length of a contract.

Members States of the EU will be able to make such contracts compulsory. However, producers are being urged to call for contracts to

be introduced regardless of whether their Member State makes them compulsory.

Additionally, if the proposals get the go-ahead, dairy farmers will be able to form milk producer organisations which will allow producers and processors to negotiate contracts collectively. The producer organisations could control up to one third of the total milk volume in their country.

The European Commission (EC) will also consider findings from the 'Evolution of the market situation and the consequent conditions for smoothly phasing out the milk quota system' report, which recommends the phasing out of milk quotas (the amount of milk a farmer can sell in a year without paying any levy). Quotas are due to end in 2015 and



production is set to be liberalised. The report recommends that quotas are gradually increased every year until then in order to ensure a 'soft landing' for dairy farmers. This will keep the impact on production and prices at a minimum.

The proposals will be considered by the European Parliament in 2011.

cutting red tape for new build

A recent court case has provided some clarification concerning the controversial Prior Notification planning scheme, which was intended to make it easier for farmers to gain approval to construct small farm buildings. Some farmers had complained that the scheme actually made things more complicated, and the recent verdict seems to vindicate their viewpoint.

The scheme requires farmers to submit notification to their local authority planning department of their intent to construct buildings of up to 465 sq m under 'permitted development'.

Notification would typically be submitted with a site plan, a written

description of the building and the materials to be used. Permitted development proposals must be 'reasonably necessary for the purposes of agriculture within that unit'. The local authority then has 28 days to decide whether or not it needs to see details of design and location in order to grant approval.

However, in many cases local authorities have taken longer than 28 days, with confusion arising over requests for further information and the date on which the 28-day period began. In some cases local authorities were treating prior approval applications as full planning applications.

The case brought by farmer Mr Murrell, with assistance from the National Farmers Union (NFU), against the Secretary of State for Communities and Local Government and Broadland District Council could make it easier for farmers to gain prior approval in future.

The court found that local authorities should be concerned with the siting, design and appearance of the building, but not the principle, allowing them to process applications quicker and with fewer complications. The NFU has produced a Prior Notification briefing, which is available to its members. For more: <http://snipurl.com/1si19f>



in brief...

Pesticides amnesty begins in New Year

A pesticides amnesty which will allow farmers and other agricultural businesses to dispose of unwanted, out of date or revoked pesticides and biocides was launched on 3 January 2011. The amnesty is part of a project known as Security in the Operational Environment (SOE), an initiative to improve security within agricultural working places. The amnesty will last until 14 March 2011 and anyone wishing to take part must pay a £20 registration fee. Early registration is recommended. More at <http://snipurl.com/1shz00>

Farmers turning to Twitter

An increasing number of farmers are using Twitter as a business tool as it enables them to keep up to date with government announcements, industry news and to promote themselves online. Twitter also allows farmers to network with each other and is being increasingly used as a support network to gain advice and best practice in the industry. There is more on this story at: <http://snipurl.com/1shzar>

Agricultural Product Quality Schemes Regulation proposed

The European Commission (EC) has launched a proposal for an Agricultural Product Quality Schemes Regulation, which will aim to simplify and streamline a range of existing European Union (EU) quality schemes. The schemes help producers to promote their produce and register it as local or regional. The proposal is part of a wider package to help support the quality of agricultural products in the EU. Go to: <http://snipurl.com/1shz1e>

Auctioneer plans to allow live Internet bidding

Halls, the auctioneer, is to introduce live Internet bidding at plant and agricultural machinery auctions in 2011. Auctions for this type of stock already attract interest from Eastern Europe and New Zealand. Halls claim the move will make buying at auction convenient for many customers. More at <http://snipurl.com/1shz9g>

Health Partnership Board to look at reducing livestock health costs

The Responsibility and Cost Sharing Advisory Group, which advises the

Government on cost sharing within animal welfare, has recommended that the Government and farmers work together on a partnership board. The board will look at ways to reduce the annual £300 million animal health bill paid by the UK Government, and will represent English livestock producers. For more on this story go to: <http://snipurl.com/1shzd0>
<http://snipurl.com/1shze7>

Scottish supermarkets selling milk cheaper than water, NFU Scotland claims

The National Farmers Union (NFU) Scotland has claimed that supermarket price wars have led to milk being sold at cheaper prices than bottled water. It claims that eight pints of milk can be bought for £2 and describes the pricing strategies as "potentially a further blow to dairy farmers". NFU Scotland's chief executive James Withers said that protests by farmers in December highlighted the plight of the dairy industry, and pointed out that average milk prices for Scottish dairy farmers are currently 3p below production costs. Read more on this story at: <http://snipurl.com/1vat3r>

poor state of affairs

A report commissioned by the Commission for Rural Communities (CRC), published in November 2010, found that a quarter of farming households are living below the poverty line and receive little support from the welfare state or from agricultural organisations.

The CRC report highlights what are considered to be the root causes of the problem and sets out what the Government needs to do to tackle poverty among farming communities. The proposed measures include:

- Improving access to welfare benefits for farmers, including the take-up of income-related

benefits to eligible farming households.

- Encouraging skills development in farming communities.
- Ensuring farming communities have access to appropriate business and financial support, including the expansion of the Business Link online service for farmers to include telephone and face-to-face specialist farm business advice.
- Encouraging the new Local Enterprise Partnerships (LEPs) to address the long-term economic development of England's agricultural sector.

Dr Stuart Burgess, chairman of the CRC, commented: "While many farmers have proved to be highly

entrepreneurial, some do not have the skills or opportunity to diversify into new businesses. Tenant farmers can experience specific barriers to business development due to the fact that they do not own the land that they farm."

According to statistics compiled by the CRC, over the last three years a quarter of farming households have had an annual income below £20,000 and in the majority of cases this has been obtained from capitalising on their business assets rather than from farm profit. The CRC report, 'Poverty amongst farming households: Achieving sustainable livelihoods', can be downloaded at: <http://snipurl.com/1si25n>

improve environment, improve profits

Reducing greenhouse gas emissions can help beef and lamb producers improve their returns, according to a new report compiled by the English Beef and Lamb Executive (Eblex).

The report, 'Testing the Water', presents an overview of the industry's water usage footprint, outlines a roadmap for improving the sustainability of beef and lamb farming, and highlights some key areas for improvement. According to the report, beef producers can increase their profit margin by up to 50p per kilo, and sheep farmers can increase

their margin by 28p per kilo.

Around 2.9million cattle and 16.7 million sheep are slaughtered in the UK each year to supply more than 1.1 million tonnes of meat. According to Eblex, beef production currently generates around 13.9kg of CO2 equivalent greenhouse gas emissions and consumes more than 31MJ of primary energy per kilo. Lamb generates 14.6kg of CO2 equivalent emissions and consumes 22MJ of energy per kilo produced.

The UK's Low Carbon Transition plan requires a national reduction in greenhouse gas emissions of 18% based on 2008 levels. Farmers have a key part to play in this reduction, and are required to cut emissions to a level that is at least 11% lower than current estimates by 2020.



Steps the report recommends include reducing water consumption, reducing effluent production and reducing energy consumption via system and management improvements. For example, implementing switch-off programmes, improving insulation, recovering waste heat from effluent and using more efficient equipment are all accepted as ways to reduce greenhouse gas emissions. The report concludes that improvements in environmental performance can go hand-in-hand with improvements in financial performance.

To read the report, go to: <http://snipurl.com/1si1tw>

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start-up for stewardship scheme

Farmers who applied to join Natural England's High Level Stewardship (HLS) scheme prior to the Coalition Government's Comprehensive Spending Review (CSR) are to be given start dates for their agreements. The HLS scheme provides financial incentive to farmers, land owners and tenants in England to manage and maintain the local countryside. The scheme is managed by Natural England.

The Government's independent adviser for the natural environment is in the process of contacting farmers to give them their start dates, with the majority expected before the end of the current financial year in April 2011.

A temporary freeze was placed on HLS applications in October 2010, while budgetary measures were assessed as part of the CSR.

The Government has announced changes to the HLS to make it more effective. The changes are increasing

focus on protecting wildlife, reducing water pollution, putting a cap on spending on farm building and changing the way applicants are paid. Natural England will work with applicants to ensure the new agreements incorporate the changes.

Jim Smyllie, executive director of Natural England, explained: "The processing of HLS applications was understandably affected by the changes in the budget announced in recent weeks. We look forward to working in partnership with farmers to turning their applications into high-quality agreements."

No decision has been made on the future of HLS agreements, but Natural England and the Department for Environment, Food and Rural Affairs (DEFRA) are working together to confirm the number of new HLS agreements that will be funded in the future.

For more information on HLS go to: <http://snipurl.com/1si2sj>