



UK200Agricultural Group e-bulletin

We have pleasure in presenting you the winter edition of the UK200Agriculture Group bulletin which covers topical issues for your interest.

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Interim support scheme for farmers announced

Defra has published details about the interim Sustainable Farming Incentive (SFI) that will replace CAP Direct Payments before the Environmental Land Management (ELM) scheme is introduced in 2024. The SFI will provide payments to farmers in England who meet certain environmental standards on specific farm features such as semi-improved grassland, arable land and soils and on-farm woodland. Each standard will define what a farmer can do to achieve it as well as how much they will be paid. A pilot version of the SFI will begin in April 2021 before the first round of official agreements is introduced in September 2021.

To read more about the SFI scheme [Click Here](#)

COVID-19 has accelerated diversification trends

The latest figures published by Savills have forecast that in 2020 diversified farm businesses will grow at the slowest rate (3.8%) since 2011. However, despite this, farm businesses have found innovative ways to respond to Covid-19 restrictions and changes to consumer behaviour. Savills Rural Vibrancy Index has highlighted which trends and ideas are likely to be successful in 2021. These include food producers shortening supply chains by selling directly to consumers, countryside staycations and gin distilleries selling locally and online. However, 2021 could be challenging for breweries, as they are vulnerable to restrictions on socialising and suffer from a lack of Government support.

Read more about the research [Here](#)

Agriculture Bill passes into law

Legislation to increase productivity and reward environmental improvements in the farming sector has passed into law. The Agriculture Act 2020 sets out how farmers and land managers in England will be paid for delivering 'public goods' under the Environmental Land Management (ELM) scheme. Public goods include measures to reduce flooding and tackle the effects of climate change. Beginning in 2021, farmers will have a seven-year transition period to adapt to a new agricultural system.

[Click Here](#) to read more about the Act

BPS 2020 payment calculations confirmed

The entitlement values and greening rates that will be used to calculate English farmers' payments under the Basic Payment Scheme (BPS) for 2020 have been confirmed by the Rural Payments Agency. The exchange rate that will apply is €1 to £0.89092. For example, farmers will receive £44.33 per hectare for moorland in a severely disadvantaged area (SDA) and £162.77 per hectare for non-SDA land. The RPA has also confirmed that farmers will begin to receive payments from December 2020.

Read more about the rates [Here](#)

Farmers to be given stronger voice in trade policy

The Department for International Trade has confirmed that the Trade and Agriculture Commission (TAC) will be extended and made a statutory body. The commission was originally launched for six months in July 2020 to bring together experts from the agriculture sector to inform negotiations and give farmers a stronger voice in UK trade policy. The TAC will be extended and given a more active role through its new statutory status, which will be reviewed every three years. It will also be responsible for producing a report on the impact on animal welfare and agriculture for each free trade deal the Government signs after the end of the EU transition period.

To read more about the commission, [Click Here](#)

Farmers call for new seasonal workers scheme

The National Farmers' Union (NFU) has urged the Government to provide more detail on how horticultural growers will be able to recruit seasonal workers from the EU in 2021. According to the NFU, UK residents made up just 11% of seasonal workers in 2020, despite the launch of the 'Pick for Britain' campaign to encourage UK workers to consider seasonal work. In comparison, EU nationals made up 89% of the seasonal workforce in 2020. As a result, the NFU has called for the Government to implement a seasonal workers scheme to ensure growers can continue to employ seasonal workers from outside the UK for as long as it is necessary.

[Click Here](#) to read more about this issues

UK200Agriculture Group is part of UK200Group Limited, the UK's leading quality assured member association of independent chartered accountancy and law firms. Members of the Agriculture Group have both the necessary in depth knowledge of the sector and advisory skills to deliver the right financial planning and management to farming businesses today.

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Our mailing address is:

UK200Group, 3 Wesley Hall, Queens Road, Aldershot, Hampshire, GU11 3NP

T: 01252 350733

Email: admin@uk200group.co.uk

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