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# MONTHLY FARMING UPDATE

# October 2020



## **I Policy issues**

- 1 The UK-Japan Comprehensive Economic Partnership Agreement has been agreed in principle. Detail remains lacking but the agreement is believed to include geographical indications up from 7 at present to over 70 covering produce such as English sparkling wine, Yorkshire Wensleydale and Welsh Lamb; more generous market access for malt producers, the UK is already the second largest exporter of malt to Japan; and major tariff reductions on pork, beef and salmon.
- 2 The Government has committed to protecting 30 per cent of the UK's land area by 2030. Existing National Parks, Areas of Outstanding Natural Beauty and other protected areas comprise 26 per cent of land in England. Increasing this to 30 per cent will introduce a further 400,000 hectares, the size of the Lake District and the South Downs combined.

## **II CAP/Brexit (etc.) support details/payments**

- 1 Defra is planning to introduce the Sustainable Farming Incentive. The scheme will make some elements of the Environmental Land Management scheme available during the transition from the Basic Payment Scheme.

## **III Grants/regulations/legislation/environment**

- 1 The 10<sup>th</sup> Edition of Agricultural Statistics and Climate Change has been published. The industry has an objective to reduce agricultural production emissions by 3Mt CO<sub>2</sub> equivalent by 2020 compared to a 2007 baseline. The report suggests that, by early 2020, a 1.3Mt CO<sub>2</sub> equivalent reduction in greenhouse gases had been achieved mainly due to the uptake of practices relating to nutrient management. The report found that 18 per cent of farmers considered it "very important" to consider greenhouse gases when making decisions relating to land, crops and livestock while 46 per cent thought it "fairly important", up 5 per cent and 4 per cent respectively on the 2019 report; and provisional figures indicate the nitrogen balance decreased by 12 per cent driven by an 8.7 per cent increase in overall offtake, mainly via harvested crops, which offset a 0.8 per cent decrease in inputs.
- 2 The UK recycling rate of 'waste from households' fell by 0.5 per cent in 2018 to 45 per cent, the target is 50 per cent by 2020, while the recycling rate for England was 44.7 per cent, Northern Ireland 47.7 per cent, Scotland 42.8 per cent and Wales 54.1 per cent.
- 3 Between 2016 and 2017 the UK's carbon footprint is estimated to have fallen by 3 per cent reflecting a decrease in household travel and decarbonisation of electricity. Greenhouse gas emissions associated with imports were 18 per cent higher than in 1997 but those associated with imports from China were higher by 260 per cent. Emissions associated with the consumption of goods and services produced in the UK were 31 per cent lower than in 1997.
- 4 The England 'waste from households' recycling rate was 44.7 per cent in 2018, a fall of 0.5 per cent on 2017; total 'waste from households' fell by 1.8 per cent to 22 million tonnes; the amount of waste per person fell by 2.2 per cent to 394kg; the amount of residual waste treated fell by 0.9 per cent to 12.2 million tonnes; the amount of total waste recycled fell by 3 per cent to 9.8 million tonnes; the amount of dry material recycled fell by 0.9 per cent to 5.9 million tonnes; recycled separately collected food waste rose by 7.1 per cent to 414,000 tonnes; and 'other organic waste' sent for recycling fell by 7.2 per cent to 3.6 million tonnes, the lowest tonnage since 2013.

In 2018/19, 10.8 per cent of all local authority waste was sent to landfill, down 14.2 per cent on the previous year; incinerated waste increased by 3.4 per cent to 11.2 million tonnes and comprised 43.8 per cent of all local authority waste; and there was an increase of 0.6 per cent in local authority waste sent for recycling to 10.9 million tonnes.

- 5 The Government has injected £40 millions into the Green Recovery Challenge Fund. The fund will be delivered by the National Lottery Heritage Fund in partnership with Natural England and the Environment Agency. All applicant projects must contribute to at least one of its criteria: nature conservation and restoration; nature-based solutions, particularly focussed on climate change mitigation and adaptation; and connecting people with nature. Projects will be favoured that create or retain jobs and create opportunities and benefits for all ages.
- 6 The Scottish Government has announced funding of £100 millions for the Programme for Government for Scottish Forestry to increase new planting. In addition, £30 millions has been allocated to Forestry and Land Scotland to expand national forests and £20 millions has been committed to increase the supply of new trees. A new Sustainable Agriculture Capital Grant Scheme will offer grants of up to £20,000 to farmers and crofters to facilitate the purchase of new equipment. The woodland area has increased by 22,000 ha in the past two years.
- 7 A survey conducted by Farmers Guardian has revealed that 90 per cent of respondents believe they have a role to play in mitigating climate change but only 62 per cent felt prepared to meet the industry's net zero target by 2040 while 63 per cent cited a lack of understanding about available options.
- 8 The Welsh Government has announced additional funding of £100 millions to support: woodland creation and restoration; resilience into natural resources and improving biodiversity; assisting food businesses improve their supply chains; supporting farm businesses; and helping the food and drink sector recover from the pandemic.
- 9 Since 1976, the habitat specialist of butterflies' index has fallen by 59 per cent while the index of the wider countryside has fallen by 20 per cent. Habitat specialists showing the greatest decline include the heath fritillary, wood white, Lulworth skipper, grayling and small pearl-bordered fritillary but no species has shown a short-term decline between 2014 and 2019. Over the long-term those showing the largest increases include the silver-spotted skipper, large heath, black hairstreak, silver-washed fritillary and dark green fritillary. Species of the wider countryside showing the greatest decline include wall, small tortoiseshell, white-letter hairstreak and small heath. Long-term increases include ringlet, comma, speckled wood, marbled white and orange tip. Since 1990, the wider countryside farmland butterflies index fell until 2012 but is now 10 per cent above the start level; the wider countryside butterflies index has fallen by 42 per cent in the same period. Farmland butterflies showing the greatest decline include the small tortoiseshell, wall, gatekeeper, small copper and Essex skipper but the ringlet, speckled wood and brimstone have all increased.
- 10 An Asian Hornet nest was destroyed in Gosport, Hampshire in September.

## IV Other matters of farm finance and tenure

- 1 Annual statistics on the structure of the agricultural industry at 1 June have been published. The utilised agricultural area in England fell by 0.5 per cent, compared to a year earlier, to 9.017m ha, representing 69 per cent of the total area of the country. The total agricultural area, including common grazing, fell by 0.4 per cent to 9.569m ha. The total croppable area fell by 0.2 per cent to 4.904m ha while the cropped area fell by 3.8 per cent to 3.876m ha. The arable area fell by 4 per cent and there were falls of 4.3 per cent for cereals, 24.1 per cent for oilseed rape and 1.6 per cent for potatoes but an increase of 2.2 per cent in the area of horticultural crops to 140,000 ha. The uncropped area increased by 65.6 per cent to 316,000 ha. The area of temporary grass increased by 2.4 per cent to 713,000 ha but the area of permanent grass fell by 0.9 per cent to 3.704m ha. The area of woodland on agricultural holdings has risen from 183,000 ha in 1983 to 385,000 ha in 2020.
- 2 The Agricultural Price Index for July shows that outputs increased by 5.7 per cent, compared to a year earlier, and by 1.3 per cent compared to June. The index for inputs fell by 1.4 per cent, compared to a year earlier, but rose by 0.4 per cent compared to June.
- 3 In the 3 months to December 2019, annualised average house prices in rural areas rose by 0.3 per cent, compared to the previous quarter, to £336,400. In urban areas the increase was 0.4 per cent to an average of £309,400. In the 3 months to June 2020, 3.3 per cent of the rural population seeking work was unemployed, an increase of 0.6 per cent on the March quarter. In urban areas there was a fall in unemployment of 0.2 per cent to 4 per cent. In the same period, the percentage of the working age population in rural areas claiming Jobseeker's Allowance rose by 0.2 per cent to 0.5 per cent while in urban areas the increase was 0.3 per cent to 0.7 per cent.

## V Product prices

### A Market background

- 1 Sterling exchange rates, against the Dollar and Euro, followed similar volatile paths, to a weaker position, for much of the month but diverged in the final week. From an opening position against the Euro of 89.6p per €, Sterling fell to 92.8p by mid-month, before a partial recovery to a late September close of 91.0p per € (1.4p weaker overall). Against the US Dollar, Sterling opened at 74.9p per \$ and dropped to 78.3p in the first half of the month; after a short recovery to 76.9p it dropped further to close at 78.3p per \$ (3.4p weaker). Crude oil prices took a further hit in the first half of September as the negative CVI9 news across Europe filtered through but prices did start to recover as the end of the month approached. The Brent Crude oil price, from a starting position of \$44.35 per barrel, dropped to \$39.78 before finally closing at \$41.94 per barrel (down \$2.39).

### B Crops

- 1 Cereal prices built consistently over the course of the month, prompted by demand exceeding available supply and weaker Sterling; milling quality still commanded a premium exceeding £20 throughout. As UK harvest reaches completion, weather elsewhere is the main watch-point; dry conditions in South America and around the Black Sea is leading commentators to reconsider global yields, however, the large global wheat surplus predicted by the International Grains Council remains unchanged. LIFFE feed wheat futures made strong gains in the short term as the month progressed but the longer-term market was more volatile.

By late September prices had improved in the short and long term, whilst medium term levels were more steady, as drilling conditions for the 2021 crop look good so far; deliveries for November 2020, 2021 and 2022 were £182/tonne (+13), £153/tonne (+1) and £153/tonne (+7) respectively. Oilseed rape prices strengthened throughout the month; the influence of tight supplies globally overpowered the falling crude oil price and volatile (but weak) Sterling. As further (good) yield results are released from Canada, more downward pressure is likely. Pulse pea and bean prices increased steadily but consistently over the month.

Average spot prices in late September (per tonne ex-farm): feed wheat £175 (+13); milling wheat £196 (+10); feed barley £132 (+9); oilseed rape £346 (+17); feed peas £192 (+5); feed beans £200 (+5).

- 2 The average potato price for 2020 crop fell back again this month, with the free-buy price, already low, recovering slightly. With more restrictions being introduced by the UK government to combat growing CV19 cases, prices remain suppressed, despite the return of schools and continuing restaurant activity. Buyers are not committing to much beyond existing contracts. With harvest of maincrop well underway, harvesting conditions being broadly good and yields generally reported as 'above average', demand will limit the market this year. By late September the average potato price had dropped £16 below its opening position of £167 per tonne, having been down to £138 in the month, to close at £151 per tonne (£10 below the September 2019 closing average). The free-buy average opened at £101 per tonne and, having dropped marginally to £97, it closed the month up £7 at £108 per tonne (£14 below the September 2019 close). 2020 crop prices for grade 1 packing, in late September (per tonne ex-farm): Maris Piper had a slightly broader spread at between £100 and £160; reds and King Edwards were both moving in very small numbers at approximately £250; whilst white varieties had fallen back to between £50 up to £95.

#### C Livestock

- 1 Cattle prices recovered marginally this month, with some fluctuation and a broadly positive trend. The average finished steer price, from an opening position of 198p/kg lw, improved steadily to a peak just above 202p/kg before closing marginally below 202p/kg lw (up 4p and sitting 31p above the closing average a year earlier). The average finished heifer price moved with more amplitude; improving from an opening position of 206p/kg lw to a mid-month peak of 216p/kg, before falling back below 210p/kg and eventually closing at 213p/kg (up 7p to sit 24p above the price a year earlier). The average dairy cow price held comparatively steady this month with a monthly swing of only £100; starting at £1,189, it dropped to £1,107 and peaked at £1,207 before dropping further to close the month at £1,168 (a fall of £21, to sit £131 above the closing average a year earlier).
- 2 The average finished lamb price (SQQ live weight) responded to last month's material fall with a partial but material improvement, followed by a steadier decline. The average jumped from an opening position of 201p/kg lw to 214p/kg early on and spent the remainder of the month dropping back to a closing average of 209p/kg lw (up 8p to sit 46p/kg above the average a year earlier).
- 3 The average UK all pig price (APP) continued August's decline this month. Opening at 166.3p/kg dw, the average fell to a close of 164.4p/kg (down 1.9p to sit 8.9p/kg above the closing average a year earlier).

- 4 The UK average 'all milk' price for June, as reported last month, was the last published result - 27.15ppl, a gain of 0.47ppl above the May average (0.84ppl below the average in June 2019 and 0.19ppl below the rolling 5 year average of 27.38ppl). The initial estimate for the UK average 'all milk' price for July was 27.56ppl (a further improvement of 0.31ppl). In the rankings against the 'EU28' farmgate milk price for June, published in August, the UK ranked 25<sup>th</sup> against a stronger EU28 (ex UK) weighted average of 30.15ppl.

## VI Other crop news

- 1 Latest national yield estimates suggest the average for wheat is 7.1-7.3t/ha, 13-15 per cent below the 5-year average; winter barley is 6.5-6.7t/ha, 6-9 per cent below the 5-year average; spring barley is 5.8-6.1t/ha, 1-6 per cent above the 5-year average; oats is 5.1-5.3t/ha, 6-10 per cent below the 5-year average; and oilseed rape is 2.7-3.0t/ha, 18-26 per cent below the 5-year average.
- 2 AHDB has published its gross margin estimates for harvest 2021. Wheat stays top of the table at £712 per ha while oilseed rape shoots up 7 places to second at £652 per ha; winter barley falls to third and spring malting barley to fourth at £646 per ha and £686 per ha respectively; and winter feed barley moves up 3 places to fifth at £534 per ha. The big losers are winter beans, spring beans and blue peas which all lose 5 places at £428, £424 and £399 per ha respectively.
- 3 Statistics Canada has revised its crop production estimates with all wheat up 5.6 per cent on 2019 at 34.1mt, the second largest on record. The estimate for spring wheat is 25.2mt, the third largest in the last 10 years. Maize is forecast to be up 4.7 per cent and oats 6.5 per cent.
- 4 Final figures have been released for UK cereals supply and demand 2019/20. The UK imported 1.054mt of wheat, down 804,000t on 2018/19; exports of wheat totalled 1.205mt, 847,000t up on 2018/19; the total available wheat supply was 19.19mt, 12 per cent up on 2018/19; domestic consumption was virtually unchanged at 14.722mt; and end-season stocks were 2.438 mt, 527,000t up on 2018/19 end season levels. Barley exports doubled those in 2018/19 at 1.79mt while imports were unchanged; the total available barley supply was 9.21mt, 20 per cent more than in 2018/19; domestic consumption was 6.15mt, up by 447,000t on the previous year; and end-season stocks were 1.357mt, up 24 per cent on 2018/19. Oats exports rose by 83,000t to 120,000t; the total available oats supply rose by 189,000t to 1.21mt; and end-season stocks were 106,000t, down 10,000t on the previous year. Maize imports reached 2.376mt, 449,000t down on 2018/19; total maize availability was 2.689mt, 383,000t down on 2018/19; domestic consumption was 2.158mt, 218,000 down on a year earlier; and end-season stocks were 222,000t, 91,000t lower than a year earlier.
- 5 The Agricultural Price Index for July shows increases for wheat of 12.2 per cent, compared to a year earlier, 3.4 per cent for oilseed rape, 24 per cent for forage plants and 45.8 per cent for fresh fruit. However, there were falls of 11.8 per cent for barley, 23.1 per cent for oats, 3 per cent for potatoes and 0.1 per cent for fresh vegetables. Compared to June there were increases of 4 per cent for wheat, 0.2 per cent for barley, 3.5 per cent for potatoes and 1.1 per cent for oilseed rape but falls of 2.9 per cent for oats, 0.2 per cent for forage plants, 1.5 per cent for fresh vegetables and 6.1 per cent for fresh fruit.
- 6 Innovative Farmers Field lab is to conduct trials using brackish water for irrigation of potatoes.

- 7 The invasive Brown Marmorated Stink Bug, responsible for decimating crops of apples, pears and soft-fruit around the world, has been trapped at an RSPB site in Essex, the first time in the UK.
- 8 Planning consent has been granted to Domaine Evremond for a winery to produce 400,000 bottles a year near Canterbury. Domain Evremond is a joint venture between French champagne producer Tattinger and UK-based Hatch Mansfield.

## VII Other livestock news

- 1 The number of cattle and calves in England as at 1 June was 5.2 millions, down 2.1 per cent on 2019; the breeding herd fell by 1.6 per cent to 1.8 millions; pig numbers fell by 0.6 per cent to 4 millions with a fall of 0.5 per cent in fattening pigs to 3.6 millions; sheep and lamb numbers fell by 2.3 per cent to 15 millions with falls of 3.5 per cent in the breeding flock, to 7 millions, and 1.2 per cent in lambs, to 7.7 millions.
- 2 Badger culling licences for this autumn have been granted to Derbyshire, Leicestershire, Oxfordshire, Avon, Gloucestershire, Herefordshire, Shropshire, Somerset, Warwickshire, Wiltshire and Lincolnshire.
- 3 During August, UK prime cattle slaughterings rose by 1.7 per cent, compared to a year earlier, to 163,000; beef and veal production rose by 1.3 per cent to 74,000 tonnes; sheep slaughterings fell by 1.1 per cent to 1,238,000; mutton and lamb production fell by 5.6 per cent to 27,000 tonnes; pig slaughterings fell by 5.1 per cent to 890,000 tonnes; and pigmeat production fell by 3.2 per cent to 80,000 tonnes.
- 4 The Agricultural Price Index for July shows increases of 10.7 per cent for cattle and calves, compared to a year earlier, 8 per cent for pigs, 17.4 per cent for sheep and lambs and 8.2 per cent for eggs but falls of 0.5 per cent for poultry and 3.3 per cent for milk. Compared to June there were increases of 3.6 per cent for cattle and calves, 0.1 per cent for pigs, 0.6 per cent for poultry and 1.7 per cent for milk.
- 5 At the latest Global Dairy Trade event, the overall price index rose by 3.6 per cent. The skimmed milk powder weighted average price rose by 8.4 per cent, while whole milk powder rose by 3.2 per cent.
- 6 GB milk production is forecast to reach 12.48bn litres in 2020/21, down 0.4 per cent on 2019/20.
- 7 During July, the volume of milk available to processors fell by 1.9 per cent, compared to June, but the annual rolling average was unchanged. Compared to June, liquid milk production rose by 3.5 per cent to 513 million litres; cheese production fell by 5.7 per cent to 40,500 tonnes; butter production fell by 6.8 per cent to 14,700 tonnes; and milk powder production fell by 20.5 per cent to 8,100 tonnes.
- 8 Arla has increased its price by 0.5ppl. The conventional manufacturing price will increase to 29.76ppl and the organic price to 38.12ppl.
- 9 In August, average butterfat rose by 1.4 per cent, compared to July, and by 0.2 per cent compared to August 2019, to 4.04 per cent. Average protein rose by 0.1 per cent, compared to July, but fell by 0.6 per cent, compared to August 2019, to 3.28 per cent.
- 10 Medina Dairy has increased its price by 0.3ppl making a standard litre 26.05ppl.
- 11 There have been a number of cases of African Swine Fever reported in wild boar on the German-Polish border as well as four outbreaks in domestic pigs in Serbia. Significant increases have also occurred in Poland, Romania and Russia.
- 12 Russia has reported multiple outbreaks of highly pathogenic avian influenza virus HPAI V H5 with high mortality rates in poultry and wild waterbirds.

- 13 During August, commercial layer chick placings fell by 21 per cent, compared to the previous year, to 2.4 million chicks; broiler chick placings fell by 3 per cent to 82.2 million chicks; turkey chick placings fell by 28 per cent to 1.6 million chicks; turkey slaughterings fell by 27 per cent to 600,000 birds; broiler slaughterings rose by 2.7 per cent to 82 million birds; and total poultry meat production fell by 0.4 per cent to 142,080 tonnes.
- 14 Malaysia has reported an outbreak of African Horse Sickness in four horses, the first time the disease has been reported in the country which is officially disease free and has approval to export equine animals to the EU.

## **VIII Inputs/Supply businesses**

- 1 The outdoor use of metaldehyde is to be banned from April 2022.
- 2 Scientists at Pershore College have developed an antibody test which can detect low levels of pathogen in fruit and Botrytis in wine grapes. Increased infection with Botrytis reduces the level of bubble quality in wines.
- 3 The Agricultural Price Index for July shows increases of 0.6 per cent for seeds, 13.7 per cent for chemicals, 1.6 per cent for animal feedingstuffs and 2.2 per cent for vehicle maintenance but falls of 16.6 per cent for energy and lubricants, 15.4 per cent for fertilizers, 1.7 per cent for veterinary services and 0.9 per cent for building maintenance. Compared to June there were increases of 4.8 per cent for energy and lubricants, 0.3 per cent for chemicals, 0.2 per cent for animal feedingstuffs and 0.2 per cent for building maintenance with falls of 0.1 per cent for fertilizers and 0.6 per cent for vehicle maintenance.

## **IX Marketing**

- 1 IGD has forecast the UK food and grocery market to grow by 10 per cent to £211 billions between 2019 and 2022.
- 2 Kepak Group, based in Merthyr, Wales, Foyle Food Group of Campsie, Scotland and WD Meats and Granville Food Care of Northern Ireland have all been authorised to export beef to USA.
- 3 In the 12 weeks to 9 August, grocery sales growth slowed to 14.4 per cent year-on-year while in the month to mid-August grocery spending was at its lowest level since February.
- 4 In July, UK beef imports fell by 12 per cent to 23,400 tonnes and are now down 11 per cent on the year to date. Exports fell by 9 per cent to 13,500 tonnes but are unchanged in the year to date.
- 5 Representatives from the Tenant Farmers Association, the PS 100 group made up of caterers, dietitians, healthy eating campaigners and suppliers to the public sector, the WWF, Pesticide Action Network UK, Compassion in World Farming, the Landworkers' Alliance and the RSPCA have come together to form the Future British Standards Coalition to explore ways to protect standards in future trade deals.
- 6 In July, UK sheep meat exports rose by 27 per cent to 8,200 tonnes with France accounting for over half the increase. However, exports in the year to date are down 4,200 tonnes at 46,800 tonnes. Imports fell by 19 per cent to 3,900 tonnes.
- 7 In July, pork exports rose by 30 per cent, compared to a year earlier, to 24,800 tonnes while imports fell by 21 per cent to 26,900 tonnes.

## **X Miscellaneous**

- 1 A survey undertaken by the Countryside Alliance has found that 94 per cent of respondents thought crime was significant in their community; 38 per cent had suffered a crime in the past year but 24 per cent of such crimes were not reported to the police; 56 per cent of those who reported a crime to the police were dissatisfied with the response; 54 per cent considered it a waste of time to report a crime. The top crimes committed against respondents were fly-tipping (39 per cent), machinery theft (35 per cent), trespass (30 per cent) and theft from outbuildings (30 per cent).
- 2 Neil Hornby has been appointed the new chief executive of the Centre for Environment, Fisheries and Aquaculture Science.

## **Postscripts**

### **Stereotyped marital harmony!**

1. 'Cash, cheque or charge?' I asked, after folding items the woman wished to purchase. As she fumbled for her wallet, I noticed a remote control for a television set in her purse. 'So, do you always carry your TV remote?' I asked. 'No,' she replied, 'but my husband refused to come shopping with me and I figured this was the most evil thing I could do to him legally.'
2. A couple drove down a country road for several miles, not saying a word. An earlier discussion had led to an argument and neither of them wanted to concede their position. As they passed a yard of donkeys, goats and pigs, the husband asked sarcastically, 'Relatives of yours?' 'Yes,' the wife replied, 'in-laws'.
3. A husband read an article to his wife about how many words women use a day. 30,000 to a man's 15,000. The wife replied, 'The reason has to be because we have to repeat everything to men ... The husband then turned to his wife and asked, 'What?'
4. A man and his wife were having an argument about who should make the coffee each morning. The wife said, 'You should do it because you get up first, and then we don't have to wait as long to get our coffee. The husband said, 'I already have a lot to do in the morning, you should do it.' Wife replies, 'No, you should do it, and besides, it is in the Bible that it's the man's job.' Husband replies, 'I can't believe that, show me'. So she fetched the Bible, and opened the New Testament and showed him at the top of several pages, that it indeed says 'HEBREWS'.
5. A man and his wife were having some problems at home and were giving each other the silent treatment. Suddenly, the man realized that, the next day, he would need his wife to wake him at 5am for an early morning business flight. Not wanting to be the first to break the silence (and LOSE), he wrote on a piece of paper, 'Please wake me at 5am. He left it where he knew she would find it. The next morning, the man woke up, only to discover it was 9am and he had missed his flight. Furious, he was about to go and see why his wife hadn't woken him, when he noticed a piece of paper by the bed. The paper said, 'It is 5am. Wake up.' Men are not equipped for these kinds of contests.

# Monthly Farming Update

## Big Brother is getting bigger!

More evidence is emerging of our 'Big Brother' society taking increased powers to prevent perceived abuse.

Companies House is to introduce a compulsory verification procedure whereby prospective directors will have to prove their identities before being appointed. The procedure will also apply to persons with significant control of a company.

The term 'company' is used in a generic sense as the procedure will also apply to limited liability partnerships and limited partnerships.

Companies House will have the power to investigate false information by comparing it with corporate data held by other public and private sector bodies.

On the taxation front, HM Revenue & Customs is creating a new 'financial institution notice'. The aim is to speed up the process of obtaining information from banks and other organisations about a known taxpayer's position.

In the past HMRC has needed the consent of the taxpayer or approval from a tax tribunal to access information. This will no longer be the case.

We welcome feedback on the MFU.

Does this issue raise any questions in your mind?

Would you like more information on a particular item?

Please ring one of our agricultural specialists:

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The MFU was edited from 1991 to 2006 by John Nix, Emeritus Professor of Farm Business Management at Imperial College London



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