

# CHAVEREYS

tax specialists | accountants | advisers | corporate finance | probate

## The Agriculture Bill

The Government published the Agriculture Bill on 16 January. The Bill claims to 'establish a new agriculture system based on the principles of public money for public goods for the next generation of farmers and land managers.'

While the Bill does contain specific legislation, it also gives the Government the power to introduce provisions by 'regulation' and it is this method which is likely to create most detailed changes to the law in the post-Brexit era.

The principal provisions in the Bill are as follows:

- Financial assistance for the delivery of environmental outcomes such as cleaner air, clean and plentiful water and thriving plants and wildlife by carrying out environmentally beneficial land and water management activities.
- Financial assistance to support public access to and enjoyment in the countryside, farmland and woodland.
- Incentivise activities which conserve our cultural or natural heritage including uplands and other landscapes.
- Financial assistance to mitigate or adapt to the effects of climate change.
- Support so as to prevent, reduce or protect from hazards to, or caused by the environment such as flooding.
- Support for farmers, vets and other organisations to improve animal health and welfare, reduce endemic disease and keep livestock well maintained and healthy.



- Support for the conservation and maintenance of UK Genetic Resources relating to livestock or equines.
- Financial assistance to protect or improve the health of plants, including wild plants, agricultural and horticultural crops, trees and bushes.
- Support the conservation of plants grown or used in agricultural, horticultural or forestry activities including their wild relatives and their genetic resources.
- Financial assistance for the protection and improvement of the quality of soil.
- Support for starting, or improving the quality of, agricultural, forestry or horticultural activities, including the growing of flowers and non-food crops.
- Support for the ancillary activities of selling, marketing, preparing, packaging, processing or distributing agricultural, horticultural or forestry products.

The Government will be required to prepare multi-annual financial assistance reports setting out the plans to support the above matters with the first such plan covering the seven years beginning 1 January 2021 which will cover the Agricultural Transition Period. During this period Direct Payments will be phased out in England and delinked payments will be introduced.

The Government has the power to end greening payments before the end of the transition period but the power can only be exercised if the current greening budget remains available to recipients and the exercise is designed for simplification purposes.

With delinked payments, there would be no obligation for the recipient to remain a farmer during the transition period but the overall fund for direct and delinked payments will be reduced. Delinking will not be introduced before 2022. Farmers may be offered a lump sum rather than receiving annual payments during the transition period.

- The Government recognises that, in exceptional circumstances, because of adverse market conditions, it may need to provide financial assistance to farmers. However it does not support the use of public intervention or private storage aid which it considers have a negative effect on risk management.
- The Government recognises the need to ensure fair contractual relationships exist between primary producers, producer organisations, associations of producer organisations, produce aggregators and the business purchasers of their products and it will issue appropriate regulations if necessary but it will not interfere in the role of the Groceries Code Adjudicator.
- The EU aid schemes for fruit and vegetable producer organisations will be replaced but transitional arrangements will be made to allow approved operational programmes to continue to completion. A new domestic PO regime will be introduced into which existing POs can transition.
- A new regime will be introduced to mitigate risks to human, animal or plant health or the environment and also for the assessment and monitoring of fertilizers. Enforcement powers will ensure compliance with composition, content and function requirements.



- Farmers in Scotland and Wales will be pleased that a scheme is to be created whereby red meat levies can be distributed by levy boards between themselves on a fair basis where slaughtered animals have been raised in more than one country.
- Changes are to be made to agricultural tenancy legislation:
- The arbitration service will no longer be the preserve of RICS members. In future members of the Central Association of Agricultural Valuers and the Agricultural Law Association will qualify.
- In circumstances where a tenant has agreed to make payments to a landlord for improvements funded by the landlord, the improvements will be excluded from rent review considerations all the while the tenant payments continue.
- In future, a tenant who occupies a commercial unit will not be excluded from making a tenancy succession application.
- The minimum age of 65 under which a succession on retirement can apply is to be abolished.

It is likely the Bill will commence a period of major restructuring in agriculture and agricultural businesses, particularly in England.



**CHAVEREYS**

Does this topic raise any questions in your mind?

Would you like more information on a particular item?

Please speak to one of our experts:

**Chavereys South**

2 Jubilee Way  
Faversham  
Kent  
ME13 8GD

**Chavereys East**

1 Penn Farm Studios  
Harston Road  
Haslingfield  
Cambridge  
CB23 1JZ

Tel: 01795 594495  
Fax: 01795 594499

[enquiries@chavereys.co.uk](mailto:enquiries@chavereys.co.uk)  
[www.chavereys.co.uk](http://www.chavereys.co.uk)

*This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, Chavereys, its partners, employees and agents, accepts no liability, and disclaims all responsibility, for the consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.*