



CHAVEREYS

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MONTHLY FARMING UPDATE

February 2022



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I Policy issues

- 1 The Government has launched the UK Agricultural Partnership, a forum which will bring together stakeholders from across the UK to identify and improve collaborative working on issues facing the agricultural sector. Matters expected to be covered include on-farm water usage optimisation, the role of science and agri-tech in supporting food production and solutions to reduce pollution and carbon emissions.
- 2 The Government is to introduce new legislation to remove unnecessary regulations which apply to gene editing. Scientists will be able to undertake plant-based research and development more easily using genetic technologies.

II Reform

- 1 Defra has announced that Countryside Stewardship payment rates have increased by an average of 30 per cent with effect from 1 January.
- 2 The Public Accounts Committee has voiced concern that the Environmental Land Management scheme puts domestic food production at risk and increases the likelihood of low-standard imports coming into the country. The Committee claimed that Defra had failed to provide any evidence to support the case that the loss of direct support to farmers would be offset by productivity gains.
- 3 Applications have opened for the 'improving farm productivity' theme of the Farming Investment Fund. Funding of up to £500,000 is available to invest in robotics and technology to boost food production. Minimum grants of £35,000 are available for productivity-boosting equipment such as driverless tractors, harvesting, spraying and weeding robots and automated milking systems. The new scheme has a total fund available of £25 millions.
- 4 Defra has launched the Local Nature Recovery scheme, which will pay farmers for locally-targeted actions which make space for nature in the farmed landscape and countryside, and the Landscape Recovery scheme which will support more radical changes to land-use and habitat restoration. The plan is to create 10,000 hectares of restored wildlife habitat; carbon savings of 25 to 50 kilotonnes per year; and improved status of the most threatened species in England including the Eurasian curlew, sand lizard and water vole.
- 5 The Forestry Commission and Defra have launched a new drive to encourage farmers and landowners to plant and manage more trees.
- 6 Applications have opened for Scotland's Agri-Environment Climate Scheme which provides financial support to allow farmers, crofters and land managers to increase their sustainability credentials by converting to organic. The scheme is open until 29 April.

III Grants/regulations/legislation/environment

- 1 In response to the independent Landscapes Review, Defra has proposed a new national landscapes partnership which will bring together those responsible for managing England's National Parks and Areas of Outstanding Natural Beauty with the aim of collaborating, sharing knowledge and tackling common objectives such as nature recovery and improved public access. A 12-week consultation process has been announced.

- 2 The Governments of the four home countries have issued a consultation on the implementation of a waste tracking service. Views are sought on what waste should be tracked; what information should be recorded; when the information should be recorded; what methods should be used to record information; what the enforcement consequences should be; and what charges should be levied. The consultation closes on 15 April.
- 3 A survey of 2,000 people, conducted by Censuswide and commissioned by Ecosia, has revealed that 1 in 10 people consider themselves to be a climate activist, 1 in 5 are reducing the amount of meat they are consuming and 1 in 10 are pursuing a pescatarian, vegetarian or vegan diet.
- 4 A number of new research projects, with funding totalling £500,000, have been announced by AHDB and BBSRC. They include a smart monitoring tool for improved night-time monitoring of vine weevils; a field test kit to measure soil phosphate; a best-practice procedure for tank-mixing biopesticides; guidance on reducing and optimising inputs for oilseed rape crops; the effect of earthworms on reduced disease risk through effective residue management; how soil amendments could help to store carbon in soil; improved genetics to breed climate resilient sheep; best grazing options; and Ubiquitin induced resistance in barley.
- 5 The University of Aberdeen's Business and Engineering Schools have entered into a knowledge transfer partnership with ANM Group to create a new renewable energy consultancy division to advise agricultural enterprises on sustainable energy solutions.
- 6 Applications have opened for the next round of the Scottish Agri-Environment Climate Scheme with £30 millions available in 2022. The fund is available to promote land management practices which protect and enhance Scotland's natural heritage, improve water quality, manage flood risk and mitigate and adapt to climate change.
- 7 To combat the practice of hare coursing, the Government is to introduce legislation to increase the maximum penalty for trespassing in pursuit of game to an unlimited fine and up to 6 months' imprisonment; a new criminal offence of trespass with the intention of using a dog to search for or pursue a hare; powers for the courts to order the reimbursement of costs incurred by the police and to disqualify an owner from keeping a dog.
- 8 The Forestry Commission has introduced extended demarcated areas in Devon, Cornwall and Cumbria to combat the spread of the tree pathogen *Phytophthora pluvialis*. Further outbreaks have been discovered in Gwynedd, Wales.
- 9 The Scottish Nature Restoration Fund has opened for applications with £12.5 millions available in 2022/23. Grants of up to £250,000 are available to cover habitat and species restoration, coastal and marine protection and eradication of non-native species.
- 10 LIDL has joined the LEAF Marque environmental assurance scheme and is committed to have its entire British fresh produce supplier base achieving LEAF marque certification by the end of 2023.
- 11 Arla Foods, which has reduced its greenhouse gas emissions by 24 per cent since 2015, has set a target of a 63 per cent reduction by 2030, up from the previously planned 30 per cent.

IV Other matters of farm finance and tenure

- 1 Defra has established the Tenancy Working Group under the chairmanship of Baroness Kate Rock. The review is to establish how tenant farmers and tenancies can be better supported as farming in England is reformed. The objectives of the group are to recommend how Defra can use scheme design to facilitate participation of and benefits to tenant farmers in new Environmental Land Management and related schemes; to consider what policy initiatives will secure the long-term sustainability of tenant farming; to determine how best to foster long-term relationships between tenants and landlords; to provide advice on ways to minimize any potential loss of land from the tenanted sector to avoid damaging its resilience; and to consider why new legislative or regulatory powers may be required in the future.
- 2 HM Treasury has exempted silage film from the new Plastic Packaging Tax.
- 3 More detailed information from the 2020/21 Farm Business Survey has become available. Average Farm Business Income increased across all types except general cropping and specialist poultry; income on cereal farms increased by 14 per cent, on dairy farms by 9 per cent and on less favoured area grazing livestock farms by 46 per cent but the income of general cropping farms fell by 21 per cent. The average Basic Payment across all farm types was unchanged at £28,400.
- 4 The 2019/20 edition of Family Food has been published. During the year, the average household spend on all food and drink, including alcohol and dining out, was £48.01 per person per week, 1.2 per cent more than 2018/19 even allowing for inflation. Household food and drink, excluding alcohol, comprised £28.83 per person per week of the total. The percentage spend on food and non-alcoholic drinks for the average household rose by 0.2 per cent to 10.8 per cent. For households with the lowest 20 per cent of income, the average spend was 14.7 per cent, second only to housing, fuel and power.
- 5 Information provided by the Farm Business Survey has revealed that 36 per cent of participants applied for at least one of the coronavirus related grants, loans and schemes. An average of £13,200 was claimed under the Job Retention Scheme by 4 per cent of farms, mainly cereal and horticultural farms. For those who claimed, the support related to about 5 per cent of hours worked. Around 18 per cent of farms claimed the Self-Employed Income Support Scheme Grant with the highest uptake among grazing livestock farms.
- 6 The Agricultural Price Index for outputs increased by 11.6 per cent in the year to November and by 4.1 per cent over October. The index for inputs increased by 18.6 per cent and 4.1 per cent respectively.

V Product prices

A Market background

- 1 Sterling exchange rates retained the same volatile nature into 2022; gaining against both Euro and the Dollar for the first half of the month but diverging thereafter to close down against the Dollar and up against the Euro. Sterling opened at 84.0p per € and spent most of the month rising to a peak at 83.0p but the final week saw a sharp fall to 84.1p followed by an equally sharp rise to a close of 83.2p per € (0.8p stronger). Meanwhile Sterling opened against the US Dollar at 73.9p and improved to a mid-month peak of 72.7p, however the rest of the month saw it weaken significantly to close at 74.6p per \$ (0.7p weaker).

2 Crude oil prices continued to climb for most of the month, with two mini-falls that each reversed within days. Brent Crude opened the month at \$77.78 per barrel and rose to a peak of \$91.36 near the end of the month but closed at \$90.54 per barrel (up \$12.76 overall).

B Crops

1 Feed wheat prices fell back steadily over the course of the month, as more reliable Southern Hemisphere harvest results became known (better than previously anticipated) and released a modicum of market pressure. Prices bounced back with vigour in the final stages, to close up overall, as the escalating situation in Ukraine and low rainfall in South America led to inevitable trade concerns. Milling premiums did not recover quite so well, dropping back to an average of £38/tonne. Feed wheat futures closed marginally up in late January but the movement over the course of the month was significant, with price swings of £14/tonne. By late January, deliveries for November 2022 and 2023 were £199/tonne (+1) and £186/tonne (+2) respectively. Oilseed rape prices opened the month with material improvements, peaking at an average price of £627/tonne as demand was faced with the same tight global supply and crude oil prices continued to climb; but this reversed in the latter half of the month, due to Sterling weakening against the US dollar and expectations that South American soya crops in the coming season will release pressure from the oilseeds market.

Average spot prices in late January (per tonne ex-farm): feed wheat £220 (+1); milling wheat £258 (-4); feed barley £208 (-); oilseed rape £568 (-18); feed peas £238 (+1); feed beans £246 (+1).

C Livestock

- 1 Average live-weight cattle prices, both steer and heifer, were directionally volatile but with low levels of price movement. The average finished steer price dropped from its pre-Christmas close of 235p/kg lw, to 226p/kg, and, after various peaks and troughs between those levels, closed the month at 230p/kg lw (down 5p, to sit 25p/kg above the average a year earlier). The average finished heifer price also dropped back from its pre-Christmas close of 245p/kg lw, to 238p/kg, and then oscillated between 235p and 241p/kg before closing the month at 238p/kg (down 7p, to sit 26p above the average a year earlier). Dairy cow prices remained volatile; opening at £1,158 per head, the average peaked twice, at £1,444 and £1,486, falling to £1,260 between, but fell back to a close of £1,210 (up £52 sitting £139 below the average in January 2021).
- 2 The average finished lamb price (SQQ live weight, new-season) fell back this month, after a strong pre-Christmas performance and a small early gain. Supply from abattoirs is slowly catching up with the Covid delays of previous months, despite continued staff absences and labour shortages. Opening at 274p/kg lw, the average rose to peak at 283p/kg before then dropping back for much of the month to 263p/kg. A small, late recovery saw the average close at 267p/kg lw (down 7p, to sit 15p/kg above the average a year earlier).
- 3 The average UK all pig price (APP) fell by a larger margin this month, despite a minor recovery mid-month; the butcher shortage having little effect overall. Opening at 148.6p/kg dw, the average dropped to 147.7p/kg dw, climbed back to 148p/kg, then dropped again to close at 146.0p/kg dw (down 1.7p to sit 3.2p/kg below the closing average a year earlier).

- 4 The UK average 'all milk' price for November, reported this month, recorded a gain of 0.92pppl, reaching an average of 33.47pppl (2.81pppl above the average a year earlier and 4.36pppl above the rolling 5-year average), with initial signs that the December average will be higher still. The EU (ex UK) average for November showed a stronger improvement of 1.21pppl, thanks partly to the exchange rate, to reach 34.94pppl.

VI Other crop news

- 1 Latest AHDB figures suggest that 2021/22 wheat availability is estimated to be 16.85Mt, 2.33Mt more than in 2020/21. Human and industrial consumption is estimated to be 7.25Mt, up 0.66Mt on 2020/21. Wheat usage in animal feed is expected to increase by 1.28Mt to 7.28Mt. Allowing for imports, the balance is estimated to be 1.99Mt, 370Kt up on 2020/21 but the second lowest this century.
- 2 Total availability of barley is estimated at 8.10Mt in 2021/22, 1.46Mt down on 2020/21. Human and industrial use is expected to increase by 148Kt to 1.87Mt while usage in animal feed is expected to fall by 1.22Mt to 4.09Mt. The balance is forecast to fall by 377Kt to 1.93Mt.
- 3 Total availability of oats is estimated to be 1.29Mt, 33Kt up on 2020/21. Human and industrial usage is expected to be unchanged at 531Kt. The balance is forecast to be 306Kt, up 110Kt on 2020/21.
- 4 In 2021/22, total availability of maize is forecast to be 2.25Mt, down 830Kt on 2020/21 due to a fall in imports. The balance of supply and demand is expected to fall by 212Kt to 320Kt.
- 5 Research has suggested that one of the consequences of the European Commission's Green Deal is that a decline in crop yields will result in European exports falling from 1.3 million tonnes a year to 450,000 tonnes. It is considered that Poland could lose up to 50 per cent of its apple production and Italy up to 30 per cent.
- 6 The Agricultural Price Index for November shows increases of 4.9 per cent for wheat, compared to October, 5.2 per cent for barley, 8.2 per cent for oats, 7.6 per cent for oilseed rape, 0.8 per cent for forage plants and 16.3 per cent for fresh fruit but there was a fall of 3 per cent for fresh vegetables. Compared to a year earlier, there were increases of 12 per cent for wheat, 40 per cent for barley, 22.5 per cent for oats, 34.2 per cent for potatoes, 53.7 per cent for oilseed rape and 6.7 per cent for fresh vegetables but there were falls of 41.2 per cent for forage plants and 2.9 per cent for fresh fruit.
- 7 Brogdale Collections, which houses the UK's largest collection of fruit trees, is planning a Cherry Blossom project to contain a selection of 100 ornamental species and is inviting sponsorship of £1,000 per tree which will last for 5 years to allow the trees to mature.

VII Other livestock news

- 1 Global Food Security has determined that methane emissions can be reduced by 30 per cent by feeding seaweed to farm animals.
- 2 During December, UK prime cattle slaughterings fell by 8.5 per cent, compared to a year earlier, to 149,000 head; beef and veal production fell by 6.7 per cent to 70,000 tonnes; sheep slaughterings fell by 5.5 per cent to 1,141,000 head; mutton and lamb production fell by 3.8 per cent to 26,000 tonnes; pig slaughterings were unchanged at 952,000; and pigmeat production was up 3.9 per cent at 90,000 tonnes.
- 3 Medina Dairy has increased its core Watsons milk price by 3pppl taking a standard litre to 35.8pppl.

- 4 The first full calendar year where organic milk deliveries have been recorded shows a total of 494 million litres. On a quarterly basis compared to 2020, April to June was up 2.3 per cent, July to September up 0.5 per cent and October to December down 1.5 per cent with December itself expected to be down 4.7 per cent.
- 5 In December, average butterfat was 4.33 per cent, up 0.6 per cent on a year earlier but down 0.5 per cent on November. Average protein was 3.4 per cent, up 0.3 per cent on a year earlier but down 0.8 per cent on November.
- 6 During December, UK dairies processed 1,158 million litres of milk with the rolling yearly average down 0.2 per cent on November. Compared to November, liquid milk production rose by 2.2 per cent to 508 million litres; cheese production rose by 4.6 per cent to 40,600 tonnes; milk powder production rose by 18 per cent to 6,300 tonnes; but butter production fell by 7.7 per cent to 15,400 tonnes.
- 7 The Agricultural Price Index for November shows increases of 1.7 per cent for cattle and calves, compared to October, 12.9 per cent for sheep and lambs, 0.6 per cent for poultry and 2.5 per cent for milk but a fall of 2.1 per cent for pigs. Compared to a year earlier, there were increases of 15.1 per cent for cattle and calves, 27.1 per cent for sheep and lambs, 4.6 per cent for poultry, 9.2 per cent for milk and 8 per cent for eggs but a fall of 6.8 per cent for pigs.
- 8 Defra has reopened the Slaughter Incentive Payment Scheme. The scheme is designed to contribute towards the extra costs involved in operating additional slaughter shifts at abattoirs. The payment rate is £10 per pig and is limited to 100,000 pigs on a first come first served basis. The scheme will close on 31 March.
- 9 The first case of African Swine Fever in Italy has been reported in a wild boar carcass some 800km from the nearest case in wild boar in Germany. A first outbreak has also been reported in North Macedonia. Frequent outbreaks in domestic pigs continue to be reported in Moldova, Romania, Russia and Ukraine.
- 10 In December, the pig herd numbered 4.087 millions, up 9 per cent on a year earlier but down 3.6 per cent on June; the breeding herd fell by 4.2 per cent and 4.3 per cent respectively to 385,000; the female breeding herd fell by 6.9 per cent and 5.8 per cent respectively to 295,000; and the number of fattening animals rose by 10.6 per cent, compared to a year earlier, to 3.702 millions but was down 3.5 per cent on June.
- 11 To date there have been 74 cases of avian influenza H5N1 in England and there are currently 61 disease control zones in force.
- 12 In the quarter to December, 7.7 million cases of eggs were packed in UK packing stations, 1.5 per cent down on the previous quarter and 3.2 per cent down on a year earlier.
- 13 During December, UK commercial layer chick placings fell by 12 per cent, compared to a year earlier, to 2.6 million chicks; broiler chick placings were unchanged at 91.5 million chicks; turkey chick placings rose by 3.3 per cent to 1 million chicks; turkey slaughterings fell by 24 per cent to 1.5 million birds; broiler slaughterings fell by 1.7 per cent to 78 million birds; and total poultry meat production rose by 2.3 per cent to 152,000 tonnes.

VIII Inputs/Supply businesses

- 1 Defra has granted emergency authorisation for the use of Cruiser SB, a product containing the neonicotinoid thiamethoxam, for the treatment of sugar beet seed in 2022 to protect the crop against beet yellows virus.

- 2 Regional nitrogen and phosphorus balances for 2020 in England have been published. All areas show a surplus of inputs of nitrogen over outputs headed by the West Midlands at 116.5kg/ha and followed by the East Midlands at 107.2kg/ha, the East at 100.1kg/ha, Yorkshire and Humber at 93.3kg/ha, the South West at 93kg/ha, the North West at 74.8kg/ha, the South East at 63.6kg/ha and the North East at 24.3kg/ha. For phosphorus, the list was headed by the West Midlands at 11.2kg/ha, the South West at 8.5kg/ha, the North West at 7.5kg/ha, Yorkshire and Humber at 6.9kg/ha, the East at 4.1kg/ha and the South East at 1.5kg/ha while the North East had a deficit of 2.1kg/ha.
- 3 BigSis, in association with Berry Gardens and East Malling Research, has conducted trials which have resulted in a 91 per cent reduction in numbers of spotted wing drosophila by sterilising and releasing male insects into the crop which mate with wild females.
- 4 Swansea-based Bionema has transferred the intellectual property of two novel biological technologies to Syngenta for commercialisation. Nema Trident is a biopesticide solutions product incorporating highly virulent insect-parasitic nematodes which attack the larvae of insect pests. Unispore G is a bioinsecticide containing insect-killing fungus which is used in the control of vine weevil.
- 5 The Agricultural Price Index for November shows increases of 4.7 per cent for energy and lubricants, compared to October, 27.3 per cent for fertilizers, 2.5 per cent for chemicals, 0.2 per cent for veterinary services, 0.9 per cent for feedingstuffs and 0.8 per cent for buildings maintenance. Compared to a year earlier, there were increases of 2.5 per cent for seeds, 37.7 per cent for energy and lubricants, 134.3 per cent for fertilizers, 4.5 per cent for chemicals, 0.7 per cent for veterinary services, 10 per cent for feedingstuffs and 22.7 per cent for buildings maintenance.
- 6 Fera has confirmed the finding of a large adult yellow spotted stink bug in the North of England. It can attack apple, cherry, peach and pear.

IX Marketing

- 1 The Government has unveiled a new web portal, the Agri-Tech-UK Directory to help the industry to export to new markets. The Directory is a joint venture of the UK Technology for Agriculture and Genetics, the Commercial Horticultural Association and the Agricultural Engineers Association.
- 2 Figures released by Kantar show that grocery sales in December totalled £11.7 billions, just 0.2 per cent below the record figure a year earlier. Compared to December 2020, roasting pork was down 13.9 per cent, gammon down by 8.4 per cent, roasting beef down 19.7 per cent, whole chicken down 12.9 per cent, whole turkey down 20.1 per cent and whole fish down 11.2 per cent but roasting lamb was up by 0.9 per cent. Dairy volumes were down 5 per cent on 2020 but up 5 per cent on 2019 with milk down 5 per cent, cheese 2.8 per cent, butter 1.7 per cent, cream 3.1 per cent and yoghurt 7.8 per cent.
- 3 The Office for National Statistics has reported average consumer prices up by 5.4 per cent in December. Other reported increases were beef at 29 per cent over the year, apples at 25 per cent, cauliflowers at 20 per cent, chicken at 10 per cent, lamb at 9 per cent, milk at 7 per cent and bread at 3 per cent.
- 4 Asda has withdrawn its commitment to only stock British beef citing high British prices and cheaper Irish imports.

- 5 The Food and Agriculture Organisation of the United Nations has reported that its Food Price Index increased in December by 23.1 per cent compared to a year earlier. The General Price Index rose by 27.2 per cent, its highest level since 2012, with maize up 44.1 per cent and wheat up 31.3 per cent but rice fell by 4 per cent. The Vegetable Oil Price Index increased by 65.8 per cent to its highest ever level. The Sugar Price Index rose by 29.8 per cent, the Meat Price Index by 12.7 per cent and the Dairy Price Index by 16.9 per cent.
- 6 Exports of sheep meat in November stabilised at 7,200 tonnes but in the year were still down 20 per cent at 62,200 tonnes. Imports fell by 39 per cent, compared to a year earlier, to 2,600 tonnes and were down 18 per cent on the year at 42,600 tonnes.
- 7 Multinational food service company Compass Group has banned the use of airfreight for the procurement of fresh fruit and vegetables across its entire UK and Ireland operations.
- 8 During November, the UK imported 21,500 tonnes of beef, up 8 per cent on a year earlier. In the year to date imports are up 4 per cent at 216,300 tonnes. Exports rose by 9 per cent, compared to a year ago, to 10,300 tonnes but were down 12 per cent for the year at 92,400 tonnes.
- 9 Exports of pigmeat fell by 10 per cent in November, compared to a year earlier, to 20,200 tonnes. In the year to date exports are down 24 per cent at 201,400 tonnes. Imports in November were down 9 per cent at 67,100 tonnes making the year to date imports 646,200 tonnes, down 8 per cent.
- 10 Statistics Netherlands has reported that exports of meat, dairy, fish, fruit and vegetables to the UK in the period January to August 2021 fell by 8.1 per cent, compared to the same period in 2020, to £2.2 billions whereas overall exports grew by 5 per cent. In the same period food imports from the UK halved, compared to the previous year, to £281 millions.
- 11 Exports of dairy products in the 11 months to November were down across all categories compared to the same period in 2020 with powdered and concentrated milk down 21 per cent, yoghurt and buttermilk down 28 per cent, whey and whey products down 28 per cent, butter and other dairy fats down 13 per cent and cheese and curd down 18 per cent. Imports were also down across the board at 18 per cent, 7 per cent, 21 per cent, 27 per cent and 17 per cent respectively. The one exception has been milk and cream where exports are up 1 per cent but imports are up 57 per cent.
- 12 Morrisons is to scrap 'use by' dates on 90 per cent of its own brand milk in favour of 'best before' dates leaving consumers to use the 'sniff test'.
- 13 UK barley exports were 52,000 tonnes in November, down from 62,000 tonnes in October and the lowest since July.

X Miscellaneous

- 1 Applications for 2023 Nuffield Farming Scholarships are now open online until 31 July and can be completed at www.NuffieldScholar.org.

Postscripts

1. Vaccine Warning

This happened yesterday and is important information for those over 60.

A friend had his 3rd dose of the vaccine – the “booster” at a pharmacy, after which he began to have blurred vision.

When he got home, he immediately called the pharmacy for advice about seeing a doctor or being hospitalised.

He was told NOT to go to a doctor or a hospital, but to immediately return to the pharmacy to pick up his glasses.

2. Tax Filing

A young woman walks into a Chartered Accountant’s office and tells him that she needs to file her Tax Returns.

The accountant says, “Before we begin, I’ll need to ask you a few questions.”

He gets her name, address etc.

And then asks, “What’s your occupation?”

“I’m a prostitute,” she says.

The accountant is taken aback and says, “That will not do; let’s try to re-phrase that.”

The woman says, “OK, I’m a high-end call girl”.

“No, that still won’t work. We need something more acceptable.”

They both think for a minute; then the woman says, “I’m an elite poultry farmer.”

The accountants says, “What does poultry farming have to do with being a prostitute?”

“Well, I raised a thousand cock[erel]s last year.”

Chartered Acct: “Poultry Farmer it is!”

Monthly Farming Update

Look North

Centuries ago, the English had to beware of the 'marauding Scots'. In recent years, the Scots have retracted from 'marauding' to wanting control of their own destiny. But the beliefs of our friends north of the border can take hold further south so it is sensible to be aware of the direction in which they may be heading.

The Scottish Land Commission has recently published advice to its Government concerning the taxation of land. The advice is riddled with the fact that what it seeks to achieve by way of taxation is not currently devolved to the Government but is an indication of what would transpire if independence was forthcoming. Further, the Commission does its best to bypass the lack of devolvement and recommends action that could be taken within the Government's existing powers.

There are a number of telling statements in its report: 'we do consider that the role land value plays in the tax base should be strengthened; all land should be brought onto the valuation roll; a cadastral approach which would enable the integration of information on land ownership; the potential role of the Land and Buildings Transaction Tax in relation to shaping the land market in a just transition.'

The legislative terms of the Land and Buildings Transaction Tax are an exact replica of the English Stamp Duty Land Tax but with a higher rate of tax applied. This tax is devolved.

It has long been known that the Scottish Government wishes land ownership to be transparent. The Mirrlees Review in 2011 concluded that a land value tax should be introduced and the Barclay Review in 2017 called for all land to be included on a valuation roll.

It is also acknowledged that Scotland believes a significantly higher proportion of land should be owned by its people and the communities that live and work there. Indeed, a Land Reform Bill will be introduced in 2023 which will help this objective.

Unless Scotland achieves independence, or is devolved more powers, there is a limit as to what it can achieve. But careful adaptation of the Land and Buildings Transaction Tax could enable the Government to tax 'non-residents' more heavily.

If you have no interest in Scotland should you care? Maybe not. But if the influence of the 'marauding' Scots gravitates south, perhaps you should!

We welcome feedback on the MFU.

Does this issue raise any questions in your mind?

Would you like more information on a particular item?

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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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