

Name:	Policy Board	Meeting Date:	3 July 2019
Location:	NFU HQ	Time:	09:00 – 11.45
Room:	Knightsbridge	Chair:	Minette Batters
Circulation:	Policy Board	Secretary:	Ian Ludgate
		Tel:	024 7685 8839
		Ref:	PB993

Present: Minette Batters (Chair), Tom Bradshaw, Ali Capper (ACa), Andrew Clark (ACI), John Davies, Richard Findlay, Michael Oakes, Stuart Roberts, Michael Sly, Guy Smith and Tom Wornham

By Invitation: Fran Barnes, Thomas Binns, Chris Cardell, Simon Gadd, Andrea Graham, Phil Jarvis, Ian Ludgate, John Pawsey, Oliva Seccombe and Nick von Westenholz

In Attendance: Mhari Barnes, Ceris Jones and Jonathan Scurlock

Apologies: Trevor Foss, Martin Haworth, Terry Jones, Richard Lister and John Mercer

Policy Board Minutes – 3 July 2019

1. 11 June minutes & actions [PB984]

The Board found the minutes from 11 June to be a true and accurate reflection of the meeting and the document was therefore approved. The Chair declared that all of the actions from the last meeting had either been completed or were ongoing and read out the apologies for this meeting.

Further to an action from the last meeting to seek further assurances from Natural England about the safety of general licence application data, the President provided an update on behalf of the Director General. Since the meeting, Natural England had told the NFU that it provides training on this issue to all staff on an annual basis and, where data had been mishandled in the past, it was the fault of an outside accountancy firm. The body also said that they were subject to freedom of information requests but had the power to protect sensitive data. Finally, the Director of Operations at Natural England said he would be happy to discuss the issue further with the Board.

The Deputy President updated the Board on the new NFU plant health strategy following its outing at the May 2019 meeting. Since then, the Deputy President has discussed the strategy with the Livestock Board and re-assured it that the future approach will be proportionate. With the issue of proportionality addressed, the Board expressed its support for the progression of the proposed roadmap.

FOR DISCUSSION AND ACTION:

2. Opening remarks from the President [Verbal] (*Minette Batters*)

The President briefed the Board on a recent meeting of the Food & Drink Sector Council that she had attended. Both Michael Gove and David Rutley had also attended and the meeting covered Brexit, the SAWS pilot and the new National Food Strategy. Henry Dimbleby dropped in to present the terms of reference for said strategy and he accepted an invitation to present at the November 2019 Policy Board meeting. Since the Food & Drink Sector Council meeting, the President had met with Robert Goodwill and Michael Gove on separate occasions to discuss a number of matters arising.

The President raised the ongoing Government review into the future of the AHDB, which appears Defra may be soon to respond to. The Government has hinted that it may use the review to take market development work away from AHDB and bring it back in-house. The Board discussed why the Government would do this, the impact the move would have on members and examples of how market development work is conducted in other countries. It was agreed that the NFU would put a number of key points on the vision for AHDB, based on the request for views, before the department publishes its response.

ACTION: PH to engage Defra ahead of its response to the AHDB review and report to Policy Board

3. Brexit: Autumn strategy [Verbal] (Nick von Westenholz)

The Director of EU Exit & International Trade built on discussions at the last meeting and looked ahead to the autumn period. The Board heard that the Government's approach to Brexit and agricultural policy could change once a new Prime Minister, cabinet and, potentially, Secretary of State at Defra are put in place after 24 July. The NFU will set out its strategic priorities to both the new Prime Minister and any new Defra Secretary very soon after the new personnel are installed.

Boris Johnson, the frontrunner to become the next Prime Minister, has promised to take the UK out of the EU on 31 October 2019 come what may, which would increase the likelihood of a no-deal Brexit, political crisis or general election if he is elected. The likelihood of Mr Johnson being able to secure a new deal with the EU which can garner enough support in Parliament will become clearer during August and September.

The Board heard that the NFU sent an open letter to all of the leadership candidates in June and, of the two remaining candidates, had so far only received a response from Jeremy Hunt. In his letter, Hunt says he would put food production on the face of the Agriculture Bill as Prime Minister but would not reopen discussions on the no-deal tariff schedule. A response from Johnson is expected soon but the letter from Hunt will be published in the meantime.

The Board was asked to consider what form the NFU's continued messaging on Brexit should take over the next few months. While the NFU will continue to call on Government to avoid a no-deal situation, it may need to recognise that October will provide somewhat of a climax and that the likelihood of leaving without a deal at that point has increased. The organisation may wish to call for sector-specific packages in a no-deal situation, a delay to the agricultural transition indefinitely, an increase in payments and an amended tariff schedule. No matter who wins the Tory leadership election, there will be an emergency budget in the autumn and the NFU will look to influence it in some way.

The Board discussed the NFU stance on seeking changes to the proposed no-deal tariff schedule and the likelihood of the Government agreeing to any such changes. The Board also discussed whether or not to call for a delay to the agricultural transition in both deal and no-deal situations and the need for the NFU to do further work around other financial areas such as Agricultural Property Relief and Business Property Relief. The Board agreed that, as it had discussed and accepted delaying the agricultural transition at the previous meeting, calling for a delay should be NFU policy.



The Board heard that the NFU is currently working with the AHDB to estimate the costs of a no-deal Brexit to farmers and this work is likely to be presented at the September meeting.

4. Draft net zero agriculture roadmap [PB986] (Ceris Jones & Jonathan Scurlock)

Since the topic of net zero was last on the Policy Board agenda in March, the NFU has developed a draft roadmap for reaching its target of net zero agriculture by 2040. While the NFU has been working on the roadmap, the wider policy context has also been developing. For instance, last week (w/c 24 June), the UK became the first major economy to announce a target to achieve net zero by 2050. The UK had previously implemented carbon budgets – we are currently in the third of these – and it would be possible to adjust the roadmap timings to align with these and other policy drivers.

The draft roadmap is very much a first iteration and there will be many more versions before 2040 rolls around. The Board noted that the emphasis on the three pillars of the roadmap may need to shift depending on the outcome of Brexit and hence relative achievability for different members. However, it is hoped this attempt can capitalise on the current level of interest from Defra and address some of the issues raised at the recent NFU Council meeting.

The development of the roadmap is being overseen by a steering group, chaired by the NFU Cymru President, and it is now presented to the Board for approval. The roadmap is made up of two tables; one is external-facing and sets out specific policy aims and the other is internal-facing and sets out the project planning timeline. Each table details a number of aims and colour codes them according to when they are planned to be achieved.

The Board welcomed the inclusion of gene editing in the roadmap but suggested more emphasis could be put on plant breeding and livestock genetics. It was said that such measures could be adopted much sooner and it is necessary for farmers to better engage with them. The Board also discussed the need to establish how competitive the UK is with other nations on the carbon footprint of its food across all sectors and the need to set out what exactly the roadmap will mean for members at farm-level. It was also stressed that there was a need to keep the language and messaging used in any communications both clear and practical. Notwithstanding this discussion, the Board expressed its approval of the draft NFU net zero agriculture roadmap.

ACTION:

- **The steering group will continue its work on the net zero ambition, specifically progressing actions around benchmarking and convening a science and evidence roundtable.**
- **To now develop a draft pilot proposal for how net zero could be achieved in practice and how Government could support that as a matter of urgency.**

5. EA's Flood and Coastal Erosion Risk Management Strategy [PB987] (Mhari Barnes)

The Vice President opened this agenda item by picking up on a discussion around water policy from a recent NFU Council meeting. The Vice President said the EA consultation touches upon just one component of the water agenda and the NFU should have a wider conversation about the entire agenda. There is a need to be more ambitious in what the NFU says on water and talks have already begun across the organisation. In autumn, the Vice President and Environment Forum Chair would like to present an integrated water management plan to Policy Board, which would look at where there is

too much, and too little, water for farmers. The Board also heard that the work was supported by the Environment Agency (EA) and others, so it would present an excellent opportunity to coordinate with them.

The Board was given a brief overview of the EA's Draft Flood and Coastal Erosion Risk Management Strategy, which sets out proposals to improve long-term climate resilience across the country. The three main ambitions of the draft strategy are:

- Climate resilient places
- Today's growth and infrastructure – resilient to tomorrow's climate
- A nation of climate champions, able to adapt to flooding and coastal change through innovation

The EA is required by law to write a national strategy for long-term flood and coastal change management. However, the NFU views the draft strategy as more of an 'EA strategy' rather than a national one that others could support and, as such, it is difficult for the NFU to sign up to it. That is not to say that there will not be individual actions in the subsequent Action Plan that the NFU could support. The EA has yet to start work on the Action Plan but the NFU has expressed a wish to be included in the development of the framework.

The Board was provided with an overview of the presumed NFU perspective on the issues covered by the strategy. These issues included, but were not limited to, the protection of agricultural land, natural flood management and future environmental land management schemes. It would be important for any strategy to recognise the impacts of flooding on agriculture and the importance of the industry in the fight against flooding.

The Board discussed the aforementioned NFU perspective and the draft response to the EA consultation on the draft strategy. It was requested that an example from Holland be added to the response to question one to show the EA what could be achieved with a little more ambition. It was also requested that more be made of balancing environmental, urban, rural and farming interests in respect to river management. The Board also discussed the need to include comments on the maintenance of current flood defences, the issue of abandonment, the complexities around landlords and tenants and the natural capital approach.

ACTION: MB to feed the comments of Policy Board into the NFU response to the EA draft strategy consultation

FOR INFORMATION ONLY:

6. **BPS update [PB988] (*Richard Wordsworth*)**
7. **CS update [PB989] (*Alisha Anstee*)**
8. **Legal update [PB990] (*Nina Winter*)**
9. **Rural crime update [PB991] (*Sam Durham*)**
10. **General licences update [PB992] (*Sam Durham*)**

No comments were made on these papers.

AOB:

The Crops Board Chair reported on a discussion from the last Crops Board meeting around changing the format of its minutes. There was a desire to produce a more digestible set of minutes for members

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while retaining a more detailed version for the record. In response, the Board expressed concern about the added workload for staff of having to produce two sets of minutes for each meeting. There was also a call for the NFU to create an online hub for minutes.

ACTION: PH to coordinate further discussion around changing the format of sector board minutes

