

FRIGSE

FARMING AND RURAL ISSUES GROUP South-East of England

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Newsletter # 09 December 2017

1) FRIGSE Meeting – Tuesday 14th November 2017

Present: John Hall (Chairman), Alison Field (Forestry Commission), Colin Hedley (CJH Agri-Environment Consultants), Don Cranfield (Plumpton College), Matt Baker (NFU Mutual), Richard Bellamy (BIAC), Mark Griffiths (RICS), Simon Matthews (Rural West Sussex Partnership), Ann Swain (Federation of Small Businesses), Douglas Horner (Kent), Mark Howard (Brinsbury), James Osman, (NFU).

Our thanks to Alison Field (Regional Director – Forestry Commission) for hosting our FRIGSE members meeting at: **Alice Holt Research, Bucks Horn Oak, Farnham, Surrey.**

Alison gave a very interesting presentation as to current activities and issues concerning the SE Forestry Commission. Please find attached a copy of Alison's presentation.

Colin Hedley followed with a presentation as to his work with a number of land owners and farmers concerning environmental issues; including, farm clusters and long-term initiatives.

Simon Matthews updated members as to progress with Rural Broadband & Telecoms issues in rural areas of the South East. This is further discussed under item: **2) Rural Broadband & Telecoms.**

John Hall reported on the continued concerns of rural business owners as to current and future issues with access to the labour market. More can be found under: **3) Brexit – Access to the EU Labour Market.**

REPRESENTING:

Country Land & Business Association (CLA), Countryside Alliance, Agriculture & Horticulture Development Board (AHDB), National Farmers' Union (NFU), National Federation of Young Farmers' Clubs (NFYC), National Trust, Royal Institution of Chartered Surveyors (RICS), Confederation of Forestry Industries UK Ltd (Confor), British Institute of Agricultural Consultants (BIAC), Horticultural Trades Association (HTA), South East Agricultural Colleges (Landex).

EAFRD & LEADER funding streams and Access to Education updates were highlighted by Don Cranfield and Mark Howard and further comment can be found under: **5) LEADER & EAFRD** and **8) Access to Education, Training & Apprenticeships**

2) Rural Broadband & Telecoms

Productivity improvements in many rural areas are being held back by the lack of good broadband and mobile phone coverage. Businesses will not expand or relocate to rural areas, such as farm building conversions, without provision of high-speed broadband and a good mobile telecommunications connection.

Defra has released a £30m rural broadband fund which is open to local broadband delivery bodies, (normally the local County Council e.g. Better Connected West Sussex, Superfast Surrey etc.) specifically targeted at rural business locations such as business parks, estates and farm diversification schemes.

Defra have confirmed that in order to apply, a Local delivery body needn't undertake the Open Market Review, State Aid Public Consultation and a new procurement process pre-application, but if successful in securing a share of the £30m they must undertake the full process if they are on the 2012 framework, before receiving any grant funding. At present, Surrey CC is scoping out the extent of rural sites that would be eligible, and West Sussex CC is unlikely to bid, as it believes the capacity demand and cost of meeting state aid compliance would outweigh what could be received in a share of the grant.

We continue to press Government Departments (Defra, BEIS, the Home Office & others) as to the vital importance of good broadband and mobile coverage for rural development, productivity and future proofing. We also stress to them that they must not believe the propaganda from British Telecom and Broadband Delivery UK (BDUK) that all is well and that they have everything under control. BDUK, with British Telecom, promised to provide superfast broadband coverage to 95% of the UK by December 2017; but, at best, have achieved 85% of this target in rural areas. We all know how bad mobile telecom coverage is; once we move far from major conurbations and main roads.

3) Brexit – Access to the labour market

Access to the European labour market remains the number one issue for rural businesses. If the free movement of EU workers is no longer possible into the UK, then other robust schemes will have to be put into place to satisfy demand. Options may include the return of the Seasonal Agricultural Workers Scheme (SAWS) or industry specific work permits; however, it needs to be understood that many rural businesses have a need for all year-round workers; not just seasonal workers.

Upskilling of the rural work force and the implementation of more automation and advanced technologies will help considerably in the future; however, in the short to medium term, there will remain a serious short fall of available labour if continued access to the EU labour market is restricted in any way.

FRIGSE has made strong representations to Defra, BEIS & the Home Office and other Government departments and committees on this issue.

4) Brexit – Trade Issues

The current poor exchange rate and its effect on the cost of raw materials and energy is causing concern amongst many rural businesses. Many of these direct costs have risen by approximately 15% over the last 12 months.

Obviously, the weak pound is of benefit to exporters; however, the vast majority of rural businesses are not in the export market, but are affected by the increased cost of imported goods; especially energy costs.

5) LEADER & EAFRD

LEADER grants of up to £75,000 are currently available and all approved projects will be guaranteed for payment until 2020.

EAFRD grants are still available in the current round as follows:

- Business Development Capital Expenditure from £75,000 to £170,000
- Food & Drink Processing from £100k to £1million
- Tourism from £75,000 to £150,000

In the Coast to Capital LEP region; current EAFRD grants are available to the value of £3.8million. In the M3 LEP region; grants are available to the value of £4.2million.

FRIGSE Members are asked to encourage businesses to complete Expression of Interest (EOI) forms for potential projects. EOI forms must be submitted by 29th June 2018.

6) Rural Housing

Affordable housing to buy and rent is a serious barrier to growth for many of our rural businesses and communities. If people cannot afford to live here then they cannot afford to work here.

It was agreed that this item would be carried forward to the top of the Agenda for the next meeting scheduled for 20th March 2018.

7) Rural Roads

The A27 is the most important East West road South of the M25 and M4 and is in desperate need of improvement; especially at Chichester, Arundel, Worthing & Lewes.

It is essential for the prosperity of rural businesses and communities that improvement schemes for the A27 are brought back to the top of the agenda at the Ministry for Transport.

FRIGSE Members are engaged in business and community meetings with other stakeholders in the area, with the aim of encouraging Government to provide sufficient funds and plans to bring about significant improvements to the A27 as soon as possible.

8) Access to Education, Training & Apprenticeships

Chichester College (including Brinsbury) has merged with Central Sussex College and Northbrook College (Worthing) has merged with Brighton Metropolitan College.

Overall; apprenticeships now account for about 20% of student hours at Brinsbury and Plumpton Colleges. There are currently 234 apprenticeship students studying rural subjects at Plumpton and 124 at Brinsbury.

There is now considerable competition between 6th Form Colleges and Further Education Colleges such as Brinsbury & Plumpton.

9) Local Enterprise Partnerships (LEPs)

There remains concern that LEPs are still not paying enough attention to the rural voice. Most LEPs in the SE region are currently rewriting their Strategic Economic Plans (SEPs) and seem to be focussing mainly on key development areas; especially on links with London.

FRIGSE members are asked to promote rural issues with their LEPs at every opportunity.

10) Conference – Innovation & Productivity

A Rural Conference is being planned, focussed on issues around Productivity, such as: Automation, Robotics, IT, Communications and Innovative Solutions. Such a conference will need to be organised, produced and financed in partnership with other regional organisations and stakeholders. Nat West Bank has already agreed to be sponsors, a number of Local Authorities are supportive and discussions are underway as to conference facilities at the University of Chichester.

The most likely date for the conference will be during early Autumn 2018.

11) Defra Meeting – RFN Chairs – 13th December 2017

I attended a meeting of the Rural Farming Network Chairs held at Defra, Nobel House, Smiths Square, London on 13th December 2017. Unfortunately, Lord Gardiner (Defra Minister) was unable to attend. However; the meeting was chaired by Sarah Severn (Deputy Director Rural Policy) and attended by a number of senior Defra officers; including: Guy Horsington (Deputy Director Legislation) and James Scott (UK Shared Prosperity Fund).

Sarah Severn was very apologetic for the lack of a Defra Minister at the meeting and that a full year had gone by since the last RFN Chairs meeting. Members expressed their concerns at the recent poor communication from Defra to the RFN Chairs. I have since written to Sarah repeating the concerns of FRIGSE on this point and inviting her, with her senior team, and preferably a Minister, to visit some of our businesses in the FRIGSE region. She has already responded positively to my request and has promised to discuss this further early in the New Year.

Most of the points raised in this newsletter were explored further during the meeting, with the majority of the time centred on issues around Brexit; especially issues around current and future access to the labour market.

Sarah stressed that Michael Gove (Minister of State at Defra) and the Government had already confirmed that the current EU commitments to rural spending; including agriculture, would be maintained after Brexit, through to at least 2022.

Now and after Brexit; Defra Policy will be to support the rural economy and farming to “grow more, sell more and export more”. The accent will be on productivity and growth, but to support environmental initiatives with public money for public good.

Sarah Severn and Guy Horsington also pointed out that Rural Proofing was already one of the Government’s pillars in the newly published Industrial Strategy.

12) Proposed Meeting Dates for 2018

10:00 Tuesday 20th March 2018

10:00 Tuesday 10th July 2018

10:00 Tuesday 13th November 2018

John Hall – FRIGSE Chairman – 19th December 2017