

## West Sussex Growers' Association (WSGA)

AGM & Executive Meeting – 10<sup>th</sup> April 2017

Annual Report to Members – John Hall (Consultant)

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I am pleased to report on the main activities of the Association with which we have been involved during the past year.

### 1) Brexit

Following the result of the EU Referendum on June 2016, we have been in constant touch with Defra Ministers, MPs, NFU and others to express the concerns of WSGA. George Eustice MP (Defra Minister) has responded as follows:

- Government wants to ensure continued access to European markets and to develop even more opportunities to sell to third countries.
- Defra welcomes the opportunity to engage with Rural Groups in the process of improving business growth and productivity.
- Defra and the Government are fully aware of the complex issues concerning the free movement of EU migrant labour post Brexit.
- The Low Pay Commission recognises the challenge for employers of the new minimum rates under the National Living Wage. The Government believes that increasing productivity is the key to offsetting increased costs.

In light of concerns raised by many businesses and the NFU about plans to control migration from inside and outside the EU, following Brexit, the Economic Affairs Committee has launched a consultation to examine competing claims about the reliance of the UK economy on migrant labour. WSGA has formally responded to this consultation.

### 2) Brexit – Defra visit to WSGA

Members of the Defra working party (labour & productivity issues) visited the Association on 28<sup>th</sup> March to see horticultural business operations for themselves and to talk to Growers about their concerns around post Brexit issues. The main concerns raised were:

- Uncertainties over the last 9 months, over the outcomes of the UK leaving the EU, and further uncertainties forecast for at least a further 2 years; following the triggering of Article 50 on 29<sup>th</sup> March 2017, are making it extremely difficult for WSGA members to make decisions as to future investment plans.

There are a considerable number of capital projects, worth tens of millions of pounds, that are now on the back burner, until it is clearer what the future business climate might look like.

- The future availability of labour is of major concern. Without access to migrant workers from the EU and elsewhere, the Horticultural Industry in the UK will grind to a halt.

Current migrant workers, many of whom have returned year after year to work for WSGA businesses, are very uncertain as to their future prospects. Employers have gone out of their way to reassure these workers that they will be ok, and that they will be allowed to return; but the truth is at the moment – no one knows.

The weakening of the pound by approximately 10% during the last 9 months has added to concerns around the availability of workers from abroad.

WSGA has agreed to cooperate fully with the Defra working party during their investigations and we have also offered to supply them with any information that we have that supports the key points above.

### **3) Labour & Recruitment Survey**

WSGA has carried out a survey during March 2017, to inform discussions around businesses current experience in the labour market.

The collated results have already been shared with those who completed the survey and with the WSGA executive. The survey results will also be shared with Defra and NFU.

### **4) Business Rates**

The 2017 rating list comes into force on the 1<sup>st</sup> April 2017; it is part of the ongoing revaluation of all commercial property throughout England & Wales.

Reports have been received from around the country, that Local Authority Valuation Offices are reviewing the Business Rates status of some nurseries, pack-houses and ancillary operations. We understand that revaluation demand notices have already been issued to some businesses.

Clearly this is a very serious matter, and in some cases, could be business threatening.

Please inform WSGA if your business receives new or additional Business Rates demands from Local Authorities.

### **5) National Living Wage (NLW)**

The implications of the NLW continues to be of major concern to most Growers.

The basic hourly rate is predicted to increase from £6.70 in 2015 to over £9.00 in 2020. This will be an increase of over 35% over this very short period of time. No one begrudges workers on the basic hourly rate, earning a decent wage; but, to maintain pay differentials, this has a knock-on effect right up through the pay scales and adds hugely to business costs.

As everyone in the Horticultural Industry knows; the likelihood of being able to pass these increased costs of production on to the customers (supermarkets, food service, retailers & garden centres) is close to zero.

## **6) Improvements to the A27**

Members will be aware that Chris Grayling (Transport Minister) recently withdrew support for the planned improvements to the A27 at Chichester. The main reason that he gave for his decision was, that due to there being no clear consensus as to which option local communities & businesses preferred, he could not approve any of the proposed schemes.

During March 2017, we have taken part in workshops, organised by WSCC, to discuss with other stakeholders a way forward. Further workshops will take place during May 2017.

In order to add some useful research to the A27 debate; WSGA carried out a Transport Assessment of members' businesses during April 2016. The aggregated results of the survey have been shared with Mott MacDonald (Transport Consultants), Highways England, WSCC, CDC and Chichester Chamber of Commerce.

WSGA will also be proactive in engaging with consultations on the proposed improvements to the A27 at Arundel and Worthing.

## **7) AHDB - Consultation**

On 19<sup>th</sup> December 2016, WSGA gave a detailed written response to the consultation on the future direction of the Agriculture & Horticulture Development Board (AHDB) – Horticulture sector.

A copy of the WSGA response was circulated to members and we await with interest to see the conclusions of the AHDB consultation.

## **8) Chichester District Council (CDC) – Horticultural Development Areas (HDAs)**

WSGA representatives are continuing discussions with senior officers at CDC around issues of land availability within the HDAs.

## **9) Arun District Council (ADC)**

Discussions have commenced with ADC, concerning a proposed joint Conference. The format is likely to be similar to the conference held with CDC at Farbridge, Lavant in November 2015; including speakers on a range of relevant subjects.

During 2016, ADC completed a feasibility study with Reading Agricultural Consultants into the provision of Food Enterprise Zones – specifically for horticulture. The proposals have now been adopted by the Council.

## **10) Coast to Capital (C2C) and Coastal West Sussex Partnership (CWSP)**

Coast to Capital (C2C) is the Local Enterprise Partnership (LEP) for our region, made up of five areas, including Coastal West Sussex. WSGA has a permanent seat on the CWSP Board and we are often invited to C2C meetings.

A wide range of regional issues are discussed; such as transport, infrastructure, housing, broadband & telecoms.

### **11) Water**

A visit to WSGA members' businesses and a round table discussion was held at Barfoots in May 2016. Sarah Hendry (Defra Director), Henry Leveson-Gower (Defra Leader - Abstraction Reform) and representatives from Water Companies, the Environment Agency, NFU, WSGA members and other stakeholders took part in the discussions to address issues around the planned reforms to water abstraction and water trading.

In the last 12 months; AHDB, Ricardo & NFU have carried out further surveys on water use for irrigation on farms and nurseries.

Due to relatively low rainfall in the second half of 2016; Portsmouth Water records showed that at 31<sup>st</sup> December, ground water levels were running at 67% of the long-term average.

### **12) Broadband and Telecommunications**

There continues to be major concern that broadband and telecommunications connectivity and speeds are still very poor in so many areas. WSGA representatives raise this subject at every available opportunity.

### **13) Website**

During the year, the WSGA website has been redeveloped to provide an improved resource for members and stakeholders. [www.wsga.co.uk](http://www.wsga.co.uk)

Further improvements could be made, with the addition of video clips, showing the wide range of crops and technologies in WSGA members businesses. This will be discussed at future meetings.

### **14) Autumn Dinner – December 2016**

65 members and guests attended the WSGA Autumn Dinner at the Vicars' Hall, Chichester on the evening of Friday 2<sup>nd</sup> December 2016.

In their after-dinner speeches; Ali Capper (Chair-NFU Board for Horticulture) and Graham Bryant (WSGA Chairman) raised the issues that have been faced by our Industry during the last year and the key issues that now face us post Brexit.

Many members and guests have already told me how much they enjoyed the evening; including the venue itself, the very high quality of the food, the entertainment, the speeches and of course the opportunity to catch-up with friends and colleagues.

The sweepstake raised over £300 towards our newly established "WSGA Young Growers' Fund".

The 2017 Autumn Dinner is planned for 24<sup>th</sup> November at the Vicars' Hall, Chichester.

## 15) Events & Meetings – 2017

- 12<sup>th</sup> January – Coastal West Sussex Partnership meeting – Worthing.
- 26<sup>th</sup> January – Portsmouth Water – Customer Challenge Group.
- 20<sup>th</sup> February – WSGA Executive Meeting – Fargo.
- 14<sup>th</sup> March – French Growers visit to West Sussex.
- 21<sup>st</sup> March – Farming & Rural Issues Group South East – Brinsbury College.
- 22<sup>nd</sup> March – A27 Forum – Chichester College
- 28<sup>th</sup> March – Defra visit to WSGA – Labour & Productivity.
- 31<sup>st</sup> March – Environment Agency Meeting – Worthing
- 10<sup>th</sup> April – WSGA – AGM & Executive Meeting – Aldingbourne.
- 9<sup>th</sup> May – Portsmouth Water – Customer Challenge Group – Havant
- 5<sup>th</sup> June – WSGA Executive Meeting – Aldingbourne
- 15<sup>th</sup> June – Coastal West Sussex Partnership Meeting – Shoreham
- 27<sup>th</sup> June – Portsmouth Water – Customer Challenge Group.
- 3<sup>rd</sup> July – Chichester Chamber of Commerce & Industry/WSGA – Meeting at Tangmere Airfield Nurseries.
- 7<sup>th</sup> July – Environment Agency Meeting – Worthing
- 11<sup>th</sup> July – Farming & Rural Issues Group South East – NFU Petersfield.
- 19<sup>th</sup> July – Coastal West Sussex Partnership Meeting – WSGA
- 11<sup>th</sup> September – WSGA Executive Meeting – Aldingbourne
- 15<sup>th</sup> September – Environment Agency Meeting – Worthing
- 30<sup>th</sup> October – WSGA Executive Meeting – Fargo
- 8<sup>th</sup> November – Grow Show South – Roundstone Nursery
- 15<sup>th</sup> November – Possible Conference with Arun District Council.
- 24<sup>th</sup> November – Autumn Dinner – The Vicar’s Hall, Chichester.

## 17) Thank You

I would like to take this opportunity to thank Graham Bryant (Chairman), Paul Bennett (Vice Chairman), Colin Frampton (President), David Fox (Secretary) and the Executive Committee for their support; and in particular, I would like to thank all those members who gave up their valuable time in hosting and helping with the numerous events that have taken place over the last 12 months.

**John Hall – 10<sup>th</sup> April 2017**

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