



THE FUTURE FOR FOOD, HORTICULTURE AND THE ENVIRONMENT

ABSTRACT

The West Sussex Growers' Association's response to the DEFRA consultation paper, "Health and Harmony: the future for food, farming and the environment in a Green Brexit"

WSGA Executive Committee

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INTRODUCTION

The West Sussex Growers' Association (WSGA) was established in 1925 and currently has 70 members, which include multi-national, national, family and owner-managed businesses.

The industry in West Sussex produces over £1 billion in annual sales of fruit, vegetables, salads and plants and employs more than 9,000 people¹. Rapid advances in technology, means increasing numbers of these jobs are highly skilled and of high value. In addition, the industry supports many ancillary businesses and jobs in the area.

Crops are grown all year round in 450 acres (180Ha) of glasshouses and 350 acres (140Ha) of polythene structures.²

The WSGA Executive Committee submit this document in response to the DEFRA consultation "Health and Harmony: the future for food, farming and the environment in a Green Brexit", with specific consideration of UK commercial Horticulture in food and ornamental production, forestry, amenity, and garden spaces.

We are concerned that the bias in the consultative documentation, and the initial part of the survey questionnaire, towards reform of CAP, will have discouraged much of the Horticultural industry in engaging with this important process. The UK's commercial Horticultural growers are important stakeholders in "food, farming and the environment" and we hope this response will be accepted as meaningful representation for the Horticultural industry.

THE OPPORTUNITY

The WSGA are optimistic that a successful Brexit presents an opportunity to grow the industry, improve its competitiveness and maximise its productivity. We welcome a future policy which recognises and understands the economic, regulatory, and natural environments that Horticulture operates in and is an enabler for growth.

We are eager to collaborate in determining a policy framework which encourages production, packaging and logistics to adopt the latest technologies; which incentivises the use of the latest horticultural techniques and technology in propagation, cultivation and crop protection to maximise productivity; which helps us invest in people, skills, automation and infrastructure to build a profitable and sustainable industry.

The domestic Horticultural industry has the opportunity to increase its share of the UK market, in food and ornamental production, which creates vital economic activity in rural and semi-rural areas for growers as well as the ecosystem of support industries.

UK Horticulture is a consumer lead industry, responding to contemporary tastes in food, flowers, ornamentals, and trees. We're quick to respond, adapt and produce interesting and varied crops of all types, marketed and presented in varied and novel ways. Our growers fulfil the demands of fashion,

¹ West Sussex Growers' Association: Economic Survey – July 2017

² Growing Together: A Strategy for the West Sussex Growing Sector: Step Ahead Research – March 2010

fads, aesthetic and socio-economic trends. This is a vibrant market which operates effectively with minimal intervention.

If we are to exploit the opportunities presented by Brexit, it's important that policy makers are alive to the misappropriation of environmental, labour and biosecurity arguments to move towards a protectionist culture.

GOVERNMENT SUPPORT FOR THE SECTOR

The Government's Industrial Strategy, in particular the 10 pillars of productivity, are applicable and welcomed by the Horticultural industry.

1. Investing in science, research and innovation
2. Developing skills
3. Upgrading infrastructure
4. Supporting businesses to start and grow
5. Improving procurement
6. Encouraging trade and inward investment
7. Delivering affordable energy and clean growth
8. Cultivating world-leading sectors
9. Driving growth across the whole country
10. Creating the right institutions to bring together sectors and places

COMMON AGRICULTURAL POLICY

Historically the sector has not been a major beneficiary from the CAP.

We recognise that there are demands for insurance schemes and other state funded compensation to offset crop failure or poor yields, particularly as a consequence of biosecurity failure and climate change.

The WSGA endorse the view that:

“... the best way of improving resilience in the farming [Horticultural] sector is to support increases in farm [Horticultural] productivity. Profitable farms [Horticultural businesses] are more resilient with readier access to capital. Our immediate focus, therefore, will be on improving productivity and profitability so farm businesses [Horticultural businesses] can be more self-reliant and invest for the lean years as other sectors do”.³

³ DEFRA Health and Harmony Consultation paper. Section 10 “Risk management and resilience” pp52

The notable exception is the EU Fruit and Veg regime, which will cease on our departure from the EU. Equivalent funding should be put in place for the Horticultural fresh produce sector, under a less costly and bureaucratic structure, to ensure we are not at a competitive disadvantage to our EU competitors.

RESEARCH AND DEVELOPMENT

R&D for the Horticulture sector is critically important. The industry is quite effective at the “D” in development, but Government support is vital for Research, which can take many years with uncertain outcomes.

Sitting back and hoping to exploit overseas research into crop protection is not an alternative. The UK’s environmental and production characteristics, even in protected Horticulture, are sufficiently different from continental Europe to invalidate many results. The relatively small crop areas in the UK reduce the potential return on investment, which is a disincentive to commercial supply businesses.

Other industry areas which would benefit from Government funded, subsidised, or incentivised R&D spending include mechanisation, robotics, automation, packaging and grading equipment. All compliment improved productivity, consumer value and reduced labour requirements.

CAPITAL EXPENDITURE

CAPEX support, such as match funding, is very welcome. However, the link between funding and job creation is outdated and needs to be dropped. The expectation of the creation of a significant number of jobs is inimical to developing an efficient industry which must adopt automation and smart sensing technologies.

Horticulture production equipment is often bespoke and is manufactured in limited numbers. Very little is manufactured in the UK. Consequently, it is relatively high cost compared to agricultural equipment. Commercial growers understand the need for automation and will commit to invest if they can be confident of relative economic stability. An appropriate Government scheme for automation CAPEX support would be as welcome as a gesture of confidence in the industry, as much as its financial value.

PLANNING

HORTICULTURAL DEVELOPMENT AREAS

Horticulture businesses are often located close to urban centres with the concomitant planning constraints. HDAs and HDZs have not proven to be a satisfactory answer to obviating planning conditions, constraining development to nominated areas where land might not actually be available for purchase and development.

Compulsory purchase, in these circumstances, is an inappropriate use of legislative powers. We would welcome a relaxation of planning conditions for new and expanding Horticultural businesses, particularly where these adjoin existing development or are within exiting boundaries.

AFFORDABLE RURAL HOUSING

The WSGA encourage that the Community Land Trusts is extended to help to provide more affordable rural housing.

The planning regime should facilitate the needs of workers in rural areas, which means helping resolve the demands of land owners, rural communities, and hostel schemes.

The Community Housing Fund is nationally worth £60m. Small but nonetheless welcome. However, Local Authorities should be compelled to pool these funds in order to ameliorate the acute housing shortage in the South East.

RURAL BROADBAND AND MOBILE TELECOMS

Horticultural businesses, like all businesses, need to benefit from cloud computing, software as a service (SaaS), and other collaborative platforms for core and contextual business functions. A fast, resilient internet connection is critical for business systems continuity planning as well as effective data security.

There is a massive gap between the heralded “+95% broadband coverage” and the reality experienced by the 5% of the population living and working in poorly served rural areas. Rural and semi-rural blackspots, which are currently on a slow-track for fast internet (e.g. BT Infinity), must be prioritised for 5G voice and data, circumventing the challenges and further delays of a wired connection.

Legislation might be required to ensure 5G data is made available to businesses at an equivalent price to a fibre connection where no fibre alternative is available.

FAIRNESS IN THE SUPPLY CHAIN

The laudable ambition for improved efficiency and productivity, with the resultant business resilience, is negated without reasonable market price information. The Horticultural food crop sector is subject to the pressures of supermarkets. The ornamental sector too, is under the influence of a few dominant retailers.

Although only applicable to the food crop sector, the WSGA support the development of the Groceries Code Adjudicator, where the government has committed to explore the case for mandatory reporting of price and volume data from producers, manufacturers, wholesalers and retailers. Although the trend in the Horticultural industry is towards consolidation, it will always be fragmented in comparison to the retail industry, so it remains a challenge for growers to ensure that they're treated fairly. It's in the interest of all stakeholders and the wider economy that the industry can commit to long-term strategic development.

BIOSECURITY

The Horticultural industry is very conscious and concerned about biosecurity threats to its industry and the consequences for the wider natural environment. However, the WSGA urge DEFRA to avoid the pressure being brought to bear to use biosecurity as a legitimate argument for a protectionist regime.

Some businesses are currently advocating using biosecurity as a mechanism to facilitate import substitution. We reject this form of protectionism and believe it will ultimately undermine the market and consumer interest. This is evidenced in New Zealand. The NZ Biosecurity regime, which has been endorsed by the RHS, might be successful in achieving its biosecurity measures, but we believe that it has suppressed the garden plant market and would have the same consequence in this country.

The objective of a new Biosecurity Strategy should be to maintain, as far as possible, existing trading relationships. When specific biosecurity threats occur, the industry should accept enhanced statutory interventions, as long as they are proportionate to the level of threat.

We support the development of a Plant Health Assurance Scheme and believe its current principles should be embraced by the whole industry. However, formal membership of the scheme should not be compulsory for businesses that are not importing actively growing plant material.

The current draft of the Plant Health Assurance Scheme places primary emphasis on the importer to ascertain that their supply chains are appropriately biosecure. It must stay this way; it is not appropriate to require all primary suppliers exporting to the UK to become members of the scheme. For example, in the case of some ornamental crops (such as bulbs) the supply base involves some very small businesses that supply only a small proportion of their product to the UK.

There has been a strong emphasis on requirements of the tree/forestry sectors. This must not be conflated with the requirements of other sectors, particularly ornamental Horticulture. The Government has an opportunity to foster a greater understanding of good practice. The public procurement of tree stocks is a case in point. Growers simply need to receive more advanced notice of tender requirements in order to have stock available and minimise imports.

PESTICIDES

The term “pesticides” is very emotive, with an ignorant clarion call for their total prohibition. This should be challenged by highlighting that ladybirds, parasitic wasps, nematodes, fungi and bacteria are all used to protect crops from pests and diseases and could be classed as “pesticides”.

The Horticultural industry has made great progress in reducing traditional chemical pesticide inputs over the last 10 years. The culture is to employ only those inputs which are absolutely required to produce a saleable crop.

Widespread adoption of sustainable Integrated Pest Management (IPM) through a combination of techniques such as biological control, habitat manipulation, modification of cultural practices, and use of resistant varieties, has meant that the use of “conventional chemistry” for pest control is a final resort. Nonetheless, there are cases where conventional chemistry is required to produce a viable crop, so this remedy must not be withheld from responsible growers.

REGULATORY FRAMEWORK

The excessively protracted approval and regulatory process for plant protection products (PPP) causes delays and uncertainty. Moreover, the high cost of the process means that in many cases useful, sustainable, and biological products being developed by small and medium enterprises, some of which have the potential to displace harsher traditional chemistry, are not brought through for EU

and UK growers. Already other OECD compliant countries with more pragmatic approval processes have many more modern, sustainable options available, putting UK growers at a competitive disadvantage and forcing them to use outdated and less sustainable alternatives.

The HSE and CRD operational brief should be amended to convey how they can help farmers and Horticulturalists improve productivity. This means that their performance metrics must reflect outcomes, not process. Notwithstanding their status for being the most efficient regulatory bodies in the EU, they must have the necessary resources to process PPP applications faster still.

The HSE and CRD must be robustly supported in their science-based “risk” approach by a policy which does not license elected and unelected representatives to surrender to the simplistic single-issue green lobbyists’ “hazard” argument.

REGULATORY ALIGNMENT

Complete regulatory alignment is not necessary, providing that PPPs are approved under OECD standards and uniform principals.

Mutual recognition is essential for manufacturers of PPPs. Many products are for niche crops which would not be commercially viable if separate approvals are required for the UK. Without these products, UK growers cannot be competitive in a global market.

Mutual recognition could be extended to other OECD countries who approve products based upon uniform principals, such as Canada, USA and Australia.

THE ENVIRONMENT

Horticultural businesses’ proximity to centres of population make them ambassadors for environmental issues and the visible curation of natural habitats. Indeed, garden centre / grower-retailers, will be the only close contact some people have to a commercial cultivation business. It’s an area which can be used to build trust and understanding between commercial Horticulture and NGOs.

The WSGA have an excellent track record for engaging with the local schools and communities to show where their fresh salads, herbs and fruit comes from.

As part of the public money for public good initiative, a new Environmental Land Management Payment system should be drafted to include Horticulture.

The Horticultural industry has readily adopted biomass, ground source and other carbon neutral heating and power systems. Effective use of smart sensing technology is being adopted which can optimise heat and light usage, saving resources as well as optimising crop growth and fruit ripening.

WATER

The WSGA recognise the importance of the effective and sustainable management of water supplies.

Continued incentivisation is needed for incorporation of rainwater harvesting systems, where large covered areas exist, helps to reduce run off and provide future water supplies for under-cover crops.

PLASTICS

The industry is constantly developing more environmentally friendly ways to minimise packaging and waste, in production and the supply chain. Sometimes this is in response to consumer demand, but often initiated by the growers. The only barrier to accelerating this change, particularly in relation to recyclable plastics, is the lack of standardisation throughout the UK. The Government can assist the Horticultural industry meet its aspirations by creating national standards and compelling Local Authority recycling centres to adopt them.

KNOWLEDGE TRANSFER AND EDUCATION

The WSGA members actively participate in educational “STEM” initiatives in schools and colleges. We welcome all initiatives which increase skills levels within the British workforce. The need for businesses to make greater investments into automation and mechanisation, to reduce reliance on manual labour, has long been recognised. However, we encourage the Government to invest more into skills development and upskilling through apprenticeship and training schemes and improved access to Further Education and Land Based Colleges. It would be very welcome if resources could be secured to incorporate land based studies within the national curriculum in Schools.

We still are missing a direct replacement for the Horticulture/Agriculture LINK programs to help facilitate Technology Transfer.

We recognise the importance of encouraging young entrants to the industry and retaining them. There is a need for better technical and business advice and support. This was the original rationale behind ADAS when it was part of MAFF, but support has diminished.

We believe it's necessary and possible to resolve the apparent contradiction between investing in a skilled workforce, which necessarily includes foreign nationals, and a reluctance to encourage the same workers to return year after year.

APPRENTICESHIPS

Several of our members are (or will soon be) paying the Apprenticeship Levy and are actively engaged with local colleges in offering Apprenticeship programs. We are supportive of the current Trailblazer standards under development for Crop Technicians and Packhouse Operatives.

We would welcome the development of Degree Apprenticeships that covered technical skills relevant to this industry. Degree Apprenticeships in Management may help improve the range of business skills and offer an attractive route into our industry.

LABOUR

Access to the European labour market remains the number one issue for many 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, preferably, industry specific work permits.

It's vital that it's understood that many Horticultural businesses need for all year-round workers, not just seasonal workers, and that many of these roles are highly skilled.

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.

We recognise that the Government will continue to work with industry to monitor labour supply and demand. Currently, a significant proportion of the agricultural workforce comes from outside the UK. Our future immigration framework needs to work in the best interests of the UK - controlling immigration whilst continuing to welcome those that make an invaluable contribution

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