

NORTH DEVON COUNCIL

Minutes of a special meeting of Policy Development Committee held at G107, 1st Floor, South West Institute Development Building, Petroc, Barnstaple - Petroc College on Thursday, 23rd May 2024 at 6.30 pm

PRESENT: Members:

Councillor L. Spear (Chair).

Councillors Bishop, Bulled, Bushell, Jones, P Leaver, Patrinos and Williams.

Officers:

Chief Executive, Director of Resources and Deputy Chief Executive and Place Manager, Economic Development and Regeneration.

Also Present in person:

Invited Members from Torridge District Council.

14. APOLOGIES

Apologies for absence were received from Councillors Clayton, Wilson and Worden.

15. DECLARATIONS OF INTEREST.

There were no declarations of interest announced.

16. WELCOME AND HOUSEKEEPING

The Chair welcomed the panellists, Members and the public to the meeting. She outlined the format of the meeting, how it would work in practice and reminded all parties to be polite and respectful to each other at all times.

17. AGRICULTURE. TO CONSIDER AGRICULTURE WITHIN THE NORTH DEVON AREA.

The Committee collectively noted the responses to the pre-submitted questions under item 5 on the agenda at appendices A-G.

The Chair introduced Councillor Bulled to the special meeting and invited her to address the Committee.

Councillor Bulled outlined the proposed format for the meeting, she identified the reasons behind calling the special meeting which involved addressing public concern at both national and local level.

She outlined the following key points to the special meeting:

- Farming was going through probably the biggest transition in financial backing since the Second World War.
- Important to raise awareness to the Council and the general public the important role farming plays in the North Devon economy as a whole together with the challenges facing it.
- The payment of subsidies to farmers had moved from the previous payments to offset the desire for cheaper food to compensate farmers for “income forgone” to now financial payments to farmers on the basis of “public money for public good”.
- The new Sustainable Farming Initiative (SFI) and Countryside Stewardship (CS) scheme payments had taken some time to develop but were basically to improve and protect the environment, support food production and improve productivity for the benefit of all.
- The prime purpose of farming remained to be the production of food.
- Farmers were currently only 55% self-sufficient.
- Without the support of farmers, a lot of potential greening and environmental issues could not be achieved within the North Devon area.
- Referred the Committee to appendices A-G of the agenda papers.
- Following the announcement on 22nd May 2024 of a General Election, which would be held on 2nd July 2024, the members were advised to refrain from making a political statements with the aim of the special meeting being that of a cross party discussion.

Each Member of the panel was invited to introduce themselves and their organisation and to provide a brief overview of their role together with their organisations responsibilities for agriculture.

Councillor Bulled then invited each of the officers present to introduce themselves to the panellists, the Members and the invited public.

The Vice Chair addressed the members and explained that the point of the meeting was to find out what the locals councils could do to help support the agricultural sector.

He added that financially the Council had reopened a second tranche for the Rural Business grant scheme, which was funded through the Rural England Prosperity Fund and invited the Place Manager, Economic Development and Regeneration, North Devon Council to address the special meeting.

The Place Manager, Economic Development and Regeneration, North Devon Council advised that the North Devon Council had re-opened the second tranche of funding for the Rural Business Grant scheme, which was administered by North

Devon + with the aim of increasing prosperity and opening up new innovations with the aim of the agricultural and rural communities at large.

She explained that grants were available from £2,500 up to £35,000 and that the Council had the lowered match funding to 10-20% for the applicants contribution to match the grant they would receive.

Details were available on the North Devon + website and the application form was live as of the date of the meeting. Leaflets were available at the meeting, which contained website details, email address and the contact telephone number for anyone who wished to discuss further.

She added that the only caveat to eligibility for the grant related to certain grants or funding that applicants might already be in receipt of from DEFRA and requested that potential applicants check their eligibility prior to beginning the application process.

The Committee members asked follow up questions of the panellists and received the following responses:

1. **Please can the panellists elaborate on the multiplier given from subsidies to farmers, which would benefit the local economy and comment on statements that we were hearing from farmers that “Grants were all well and good but without thought out farmer’s subsidies the cash flow didn’t exist to benefit from them?”**
 - **North Devon +:** Farmers decided what was best for them, there was a stigma and fear factor amongst farmers with regards to the Farmers Ministry. More flexibility and countryside stewardship required together with a top up from FSI. Role was to look at each case on an individual basis and not to dictate to the farmer as it was ultimately their decision.
 - **Bloomfield Landsense:** Some higher claims with planting a field and then not harvesting it. There were options available but a top up of funding to higher levels. Might have to utilise agricultural land to achieve this.
 - **Director, Mole Valley Farmers:** The sea change between the ministry and DEFRA was quite significant. DEFRA existed to assist farmers to deliver inputs. However, there had been a reduction in in employment within the ancillary industry.
 - **Local Farmer and Deputy Chair of the National Farmer’ Union (NFU):** Herbal lays didn’t require much fertiliser and if it wasn’t for grants and stewardship green fields would not be so common. There were grants available to dairy farmers to subsidise their income. Sometimes the planning system was too slow.

➤ **Councillor Robin Milton, Local farmer:**

- The multiplier effect was quoted at different levels and the industry had to be careful that changes didn't get lost within the economy.
- There was an income of 70% from agricultural businesses such as Mole Valley Farmers and there was a requirement to ensure that the balance between food production and environmental delivery that was sustainable.
- DEFRA figures for grazing livestock showed a 5% increase on return.
- Income for lowland farmers was well below the minimum wage.

1(a) Follow up question: Banks were not favourable to borrowing or granting loans. Were banks offering less loans so that subsidies were not guaranteed?

- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** There was a different situation regarding bank loans in that they were no longer calculated up to asset base but instead through serviceability.
- **Bloomfield Landsense:** Grants were available over £50,000. However, £50,000 didn't go very far and had to be signed off by an accountant.
- **Local Farmer and Chair of Exmoor Hill Farming Network:** Funding often came in arrears.

2. There were lots of suggestions as to the different uses or functions of land i.e. water catchment/renewable energy. North Devon Council were currently reviewing the local plan. Could a piece of land within the plan be identified as providing several different functions?

- **North Devon UNESCO Biosphere Partnership:** Multi use land recognised all of those elements and farmers should be financially rewarded to reflect this. There should be an increase in subsidies for those who operated using good practice and services. With multiple land use farmers would still get a good return for all uses of land.
- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** Multi-functional land use for both upland and lowland farmers was great but not every farmer could diversify their land for that purpose and it would very much depend on the type of renewable energy together with grid capacity as North Devon was full and solar energy was not possible.
- **Local Farmer and Chair of Exmoor Hill Farming Network:** Offsetting companies were only interested in the bigger areas.

3. With regards to the changes that were taking place right now, were North Devon going to be better off or worse off? Especially the changes in the rural economy and the impact on those actually involved in farming and should we be concerned?

- **Councillor Robin Milton, Local farmer:** Huge opportunity with a lot of policies released within the previous week, there was an opportunity for a land use strategy. With private finance there was a whole new challenge with regards to a landscape recovery approach, which could be in the form of a collaborative approach. With the right advice and opportunities there was a requirement to capitalise on the benefits of biodiversity net gains.
- **North Devon +:** There were always winners and losers with grant schemes and it was dependent on the individual farmers. Not everyone adapted well to change and if there was a requirement to revise a business model it might not be well received by everyone.
- **Director, Mole Valley Farmers:** Over the next eighteen months to two years we might be in a better position to answer these questions.
- **Bloomfield Landsense:** Most of the farmers that our business works with want to earn their money as farmers. How do you qualify what is better and it was sometimes a case of pride verses the financial benefits.
- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** There was not a one size fits all approach and you had to bear in mind the current climate conditions where there had been 6-7 months of intense rainfall and a sheep farmer could be worse off financially in the current than the previous year due to lamb losses.

4. If there was one thing that North Devon Council could do to help, what would it be?

- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** Improvements to the grants and planning application system/process, often planning applications would stall and farmers worked on tight timelines, which could put them at risk of losing their livelihoods as the planning process was too slow. The Council should promote buying local/British as much as possible.
- **Bloomfield Landsense:** Commended NDC and TDC for the document that they published in January 2024 that recognised the difficulties that farmers were currently facing with Section 106 ties to land and not being able to claim VAT, which added an additional 20% to financial burden. Public livestock worrying was a big issue for farmers as most members of the public had no idea of the impact that their presence had on the animals.
- **North Devon UNESCO Biosphere Partnership:** The process was often much more straight forward with a more consistent approach to the planning process with issues such as pond siting etc. Had to look at better ways of making and selling produce locally.
- **Director, Mole Valley Farmers:** The impact of council tax on young people when they were trying find a rural property. Could the Council look

into charging in different ways such as a council tax charge on a six monthly basis between July and December?

- **Director of Resources and Deputy Chief Executive, North Devon Council:** Advised that Council Tax was an annual charge set out over a certain amount of months but that he was happy to explore options with regards to alternative payment plans.
- **Councillor Robin Milton, Local farmer:** When funding became available, its availability should be well publicised by the Council to ensure that the funding makes its way into the rural economy. Biodiversity net gain should also be utilised to recirculate funds around the local economy.

5. Community Tax reference – Government Land Tax was distinctly different from Council Tax. Would this adversely affect farmers in terms of the value of their assets?

- **Local Farmer and Chair of Exmoor Hill Farming Network:** Was aware of the existence of land tax and would hope that agricultural land would be at the lowest end of the tax band.
- **Director of Resources and Deputy Chief Executive, North Devon Council:** No comment to make at this stage as the Council had not received any further information regarding community tax.

RESOLVED, that Standing Orders be SUSPENDED to allow questions from members of Torridge District Council and the invited public present.

The Chair invited the members of Torridge District Council present at the special meeting to ask questions of the panellists and received the following responses:

1. Councillor Harding, Torridge District Council:

Owner of one of the largest farms in the country, received letters from various transport companies that regularly visit the farm to advise that they won't be collecting the milk owing to the condition of the road network. Will there be any future in farming for young people?

- **Councillor Robin Milton, Local farmer:** Back in 1978 if you looked at the percentage of return for capital investment on farming you would always sell up and invest the money elsewhere. However, if you had done that at the value you would have sold at that time you would be looking and thinking that you should have kept the value of your money within the land.
- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** Would like to think that there was a future in farming. However, you sometimes see young people raised within farming families who witness how hard their parents work and they see other opportunities other than farming to make an income for themselves. Solely dependent going forward on the support that British farmers receive

from the public and that was recognised by the NFU. However, for that support, we need to be price makers not price takers. Not in the farmer's interest to ruin the countryside, they were proud and resilient people but they had to make money.

2. Councillor Pennington, Torridge District Council:

Why do we go on about farmers subsidies? Always been a cheap food policy in this country and has been provided for far too long. Not celebrating farming enough, do you worry about the mental health of farmers?

- **Councillor Robin Milton, Local farmer:** Wholeheartedly agree with you that food had never been any cheaper than it was currently but it was also of the finest quality as well. Subsidies to farming disappeared around the beginning of SPS. No subsidies for food production for 25 years and a real problem that the perception of supported food production had been perpetuated continually. In reality what farmers had done was take some money that arrived through the European system at the time for land management and adherence to quality and levels of control and they actually subsidised producing cheap food for the population with it. Farming has not been subsidised rather farmers had subsidised food production. The country had reached an era where it was important to provide environmental management. So, it was not a subsidy but a management payment.
- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** Would agree with Councillor Robin Milton and if you were to ask farmers if they would prefer to have the support payment or to receive a fairer price for their food we know what the answer would be.
- **Director, Mole Valley Farmers:** After the war the average household income spent 40% on food and now it was down to about 7%. Global warming would have an effect on other parts of the world and water would one day be more precious than oil.
- **Local Farmer and Chair of Exmoor Hill Farming Network:** Mental health was a big issue and there were many contributing factors such as financial issues/pressures, stock value and adverse weather conditions i.e. rainfall. Many farmers were quite self-contained and not able to communicate their concerns easily. There were many support networks available to them. However, farmers were not always aware of the resources available to support them.

3. Councillor Newton, Torridge District Council:

There were occurrences of pollution and sewage discharge together with the release of nitrates from farming upstream, which were the by-products from farming. How do we get the agricultural sector to respect our watercourses?

- **North Devon UNESCO Biosphere Partnership:** By separating clean water from dirty water through clear advice, support and good

husbandry. There was an opportunity to review how the agricultural sector managed nutrients. Many farmers bought their ammonium nitrates from countries such as Russia and South Africa and we should be working with landowners to look at nutrient training.

- **Bloomfield Landsense:** Many farmers did respect water but it came down to time pressures and financial achievability together with the impact of the planning process.
- **North Devon UNESCO Biosphere Partnership:** The Biosphere Partnership did a calculation and it would cost £90m to improve the rivers and waterways and make them clean.
- **Councillor Robin Milton, Local farmer:** A lot of the issue was based around monitoring in that you couldn't solve a problem until you admitted it. The intensification of agriculture was based on cheap food and there were varying systems in place to monitoring the quality of the waterways. There were capital grants and infrastructure tax relief for the purchase of farm vehicles such as a new tractor. However, the same benefits were not readily available to farmers for the infrastructure to reduce the impact of farming on the environment.

4. Councillor Tinsley, Torridge District Council:

- **Difficult to ascertain a way forward with the issues raised when we don't know what the government's plans will be following the General Election on 4th July 2024. Do you communicate with the various parties?**
- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** Spoke with the president of the NFU Tom Bradshaw recently and the organisation was in regular contact with the government and various other political parties.

The Chief Executive, North Devon Council reminded Members that they should be mindful of the heightened sensitivities surrounding the upcoming general election. However, he acknowledged that there was also an opportunity to establish some bullet points after the 4th July 2024 to lobby whichever government was in place.

5. Councillor A. Brenton, Torridge District Council:

Agree that subsidies should be referred to as support. European Union subsidies were supporting farmers. However, there was a bigger issue in the UK regarding the accessibility of cheap food and consideration should be given to families who were on lower incomes and already utilising local food banks to feed their families.

If food prices were to increase dramatically, these families would struggle even more and how would this be addressed?

- **Director, Mole Valley Farmers:** Listening to BBC Sounds recently and the comments made by farmers from Lisbon and Spain were the same as the comments that you hear from UK farmers. The supermarkets played a key role in driving down the costs of food production and this evident within their profit figures.

6. Councillor Cottle-Hunkin, Torridge District Council:

What would you like to see from the next government to support farmers and the rural economy?

- **Councillor Robin Milton, Local farmer:** To listen and understand the issues and acknowledge that it was not a single issue approach. Any government in power had to address the issue of poverty separately. There was also a requirement to understand the value of food production together with the value of the environment in that there had to be an element of income to ensure a balanced viable business.
- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** The NFU had its own manifesto and would urge the government to listen to what they were saying, as they represented a large number of farmers and all political parties should listen to their views.
- **North Devon +:** That there should be a greater focus on animal welfare and unfair contributions.
- **Bloomfield Landsense:** British farming was gold plated and the UK should value British farming.
- **Local Farmer and Chair of Exmoor Hill Farming Network:** The Defra scheme should be managed in a co-defined and positive way and they should continue to listen to farmers.
- **North Devon UNESCO Biosphere Partnership:** The introduction of a 25 year environment plan together with the revival of trade agreements to ensure that we were not exporting problems out of the country.
- **Director, Mole Valley Farmers:** That the next government think beyond the next political cycle.

The Chair invited the members of the invited public present at the special meeting to ask questions of the panellists and received the following responses:

1. Disappointed that there was no representation on the panel with regards to horticulture. Why are you not considering horticulture as part of the discussions?

- **Councillor Robin Milton, Local farmer:** Horticulture had suffered in the same way as agriculture with imports from abroad and orchards scrubbed out in many areas. The cheaper supply chains had also contributed as well as supermarkets selling produce at reduced costs.

2. Where would you want to be in terms of agriculture in 20 years' time and how do we get there?

- **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** Farming sustainably and providing great British food for the great British public.
- **Councillor Robin Milton, Local farmer:** From a farming family of eight generations in an area of countryside that thousands of people wanted to visit. Exmoor ponies and red deer were of no financial value to farmers but they were kept on the land for all to enjoy and to maintain a sustainable business.
- **Director, Mole Valley Farmers:** By having a sustainable food provision together with a sustainable landscape.

3. Thanked North Devon Council for arranging the special meeting and for listening to the views of the public.

The planning system could be more streamlined and the process by which farmed goods travelled to reach the retailer had very little value. Supermarkets were taking the value out of the towns.

- **Can we increase taxation for supermarkets to help farmers sell their produce locally?**
 - **The Chief Executive, North Devon Council:** Advised that taxation was a national system on which the Council had very little impact. Important to encourage people to our high street and to publicise the future high streets fund together with the pannier market. Utilising social media to encourage people to buy local. He acknowledged that the Council could do more to promote local produce.
- **What can we do to encourage young people into farming?**
 - **Local Farmer and Deputy Chair of the National Farmer' Union (NFU):** The biggest hurdle for young people wishing to pursue a career in farming was obtaining suitable housing. Affordable housing for young people was vital to the agricultural industry. Frustrating when applications made by developers for housing developments, which were supposed to deliver affordable homes were often deemed not viable following viability assessments.
 - **Councillor Robin Milton, Local farmer:** NDC by default were in the process of reviewing their Local Plan. So, suggest that everyone in the room makes a representation to the consultation to make the Councillors listen.

4. How practical would it be to buy local?

- **The Chief Executive, North Devon Council:** Members from NDC would be reviewing the procurement strategy with the emphasis to buy local. The Council always tried where possible to use local contractors and to buy local.

RESOLVED, that Standing Orders be REINSTATED to enable the remaining business to be transacted.

18. ACTIONS/NEXT STEPS

The Vice Chair advised that he had made a summary of the key points from the discussions held and the Committee would consider these alongside the formal minutes at the next meeting of the Committee.

The Chair stated that it had been a brilliant evening and thanked the members of the public, the Councillors and the panellists for their expert contributions.

Councillor Bulled reiterated the Chair's comments.

Chair

The meeting ended at 8.39 pm

NOTE: These minutes will be confirmed as a correct record at the next meeting of the Committee.