

The 2019 UK General Election

The Tenant Farmers Association (TFA) is the only organisation dedicated to representing the interests of the tenanted sector of agriculture in England and Wales. As the UK enters the 2019 General Election, the TFA sets out below the priorities that must be taken on board by the next Government.

Brexit

With the UK now scheduled to leave the European Union on 31 January 2020, time will be short for the new Government to arrange both our exit and reach agreement on the intended frictionless trade deal with the European Union by the end of the transitional period due to end on 31 December 2020. It is vital that the next UK Government commits to the following:

1. Achieving continued frictionless access to the European market for UK food and agricultural products.
2. Allowing good access to migrant labour for the agricultural and food processing sectors both on a seasonal and semi-permanent basis, while Government and industry work towards enhancing the ability to meet labour requirements from domestic sources into the long term.
3. Protection from trade in food and agricultural products from other parts of the globe which do not meet the standards of food safety, animal welfare and environmental considerations required by law of UK production.
4. A tariff schedule which ensures all agricultural sectors are protected from being undermined by cheaper imports
5. A UK framework agreed with all the Devolved Administrations to ensure fair competition and free trade between the four parts of the UK.
6. Development of a new agricultural policy correcting for market failures within food and agricultural supply chains and for the provision of public goods and services as follows:
 - (a) A Farm Business Development Scheme to provide annual grants to active farmers to assist with the implementation of approved five-year plans for farm development covering investment in fixed equipment, cost reduction initiatives, building resilience, protecting against volatility, enhancing processing capacity, diversification, marketing, cooperative initiatives, producer organisations, climate change adaptation and environmental improvement.
 - (b) A new agri-environment scheme which sets out a menu of costed options that farmers can choose from to deliver on their farms and be judged on the basis of outcomes, with appropriate proxies where required, as opposed to the means of achieving those outcomes, to include specific options for hill and upland farmers focusing on ruminant livestock production and fair access for tenant farmers and others who farm any land they do not own.
 - (c) A package of near market research & development, technology transfer, promotion, market development, brand development and other supply chain initiatives focused on supporting British produced food.

Food Security and Supply Chain Issues

1. Using import substitution tools, the UK should reduce its reliance upon imported, temperate food to enhance food security and protect food standards.
2. High animal welfare, environmental and food safety standards should be applied equally to domestically produced and imported products.
3. Providing the Groceries Code Adjudicator with wider and deeper powers to investigate malpractice within the groceries supply chain. The Adjudicator must have OFSTED style powers to engage with

retailers, a remit to look at the whole of the supply chain where required - not just direct contracts - and the responsibility to report on the balance of returns within the supply chain.

4. Requiring public food procurement policies to favour British produced food.
5. Requiring that all food sold in the UK is subject to at least meeting "Red Tractor" standards.
6. Mandatory country of origin labelling on all food sold through major retailers.
7. Assuring that free or favourable market access to the UK food market will not be used to lever favourable trade deals in other areas such as financial services or manufacturing.

Enhancing the Resilience of the Tenanted Sector.

1. The next Government must grasp the nettle to introduce measures to change the fiscal environment within which rural landlords make decisions about letting land to encourage longer term Farm Business Tenancies. The tenanted sector cannot begin to consider issues of resilience and sustainability when average lengths of term on new FBTs are consistently below four years and more recently below 3 years. The following measures must be in the new Government's first Budget:
 - (a) Restricting the generous, 100% Agricultural Property Relief from Inheritance Tax (currently available to all agricultural landlords, regardless of the length of time for which they are prepared to let land) only to those landlords prepared to let farmland for 10 years or more.
 - (b) Clamping down on those land owners who, through schemes promoted by agents and accountants, are using share farming, contract farming, share partnerships and grazing licences as thin veneers of trading activity and as vehicles for aggressive tax avoidance where they take no risk in the business, have little, if any, entrepreneurial input and lack any management control.
 - (c) Offering landlords prepared to let farm land for 10 years or more the ability to declare their income as if it was trading income for taxation purposes.
 - (d) Reforming Stamp Duty Land Tax to end the discrimination against longer farm tenancies.
2. Creating a tenant farmers' retirement scheme coupled with a scheme for new entrants. This should include the strengthening of agricultural ties on dwellings which currently are too easy to remove.
3. Requiring greater accountability from Local Authorities for the retention and management of their farms' estates.

Other Taxation Measures

1. The exemption from the higher rate of Stamp Duty Land Tax which applies when an owner occupier buys a new principal place of residence in place of one which they sell, should also apply to individuals who buy a new principal place of residence in place of one forming part of a tenanted farm which does not currently entitle them to the exemption from the higher rate.
2. In calculating entitlement to universal credit, farmers should not be required to use the National Minimum Wage in assessing the Minimum Income Floor. Despite working long hours, returns can often be below the National Minimum Wage which should only be used where there is a deliberate misrepresentation or manipulation on the part of the self-employed individual in making a claim.

Bovine TB

The next Government must continue to support the eradication of bovine TB through a sound balance between cattle control measures and culling of infected badgers. However, we need a better testing regime including annual testing and a fairer package of compensation for farmers impacted by cattle culls.

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