



Fertile Ground



An Agenda for Growth in the Regional Agri-Food Sector

'The farming and food sectors provide fertile ground on which to cultivate new jobs, harnessing technological innovations to promote growth, deliver services and boost export capacity.'

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Introduction **Unique and Connected**

South East England is the UK's most densely populated region and its most significant economic hub, given its proximity to London and the city's connections within the global economy. Together with the capital, the South East is central to the nation's largest visitor economy and its biggest foodservice, hospitality and catering sector.

The region's unique and diverse landscapes are much cherished for leisure, health and wellbeing and one third of the South East is within protected landscapes. There are six Areas of Outstanding Natural Beauty (AONBs) within the region, with a further two bordering its western edge, along with two National Parks - the New Forest and the South Downs, England's newest National Park. Here 85% of the area is farmed, a reminder that farming has continued to shape the countryside through the centuries to the present day, with farmers producing food, fuel and caring for environmental assets.

The region has natural geographic and climatic advantages, being England's sunniest region and enjoying a maritime climate owing to its long coastline. Combined with its diverse underlying geology, this makes the region suitable for myriad types of agriculture, horticulture and forestry. Despite its major centres of population, almost two thirds of land in the South East is farmed (58%)*¹ - its history is inextricably linked to farming. The region is also England's most wooded, with 25% woodland cover across the South East and Greater London.

From the rolling hills of the South Downs to the medieval landscapes of the High Weald, and Kent, with its orchards, berry and hop gardens, the region's diversity speaks for itself. In the east lie the grazing marshes of Romney and Pevensey, at sea level. In the centre of the coastal belt lies the Chichester plain, a hub of glasshouse production, flanked in the west by Europe's largest grazed heathland complex, the New Forest. Farmers also care for the Surrey Hills, the rich grasslands and varied soils of the Thames Valley, along with the free-draining hills of the Chilterns and the eastern Cotswolds. It's in the national interest that the agricultural sector is strong and resilient, given all that farmers and growers produce and the assets that they manage.

And that is why the NFU wants to grow the farming and food industries within the South East. At this pivotal moment, as the UK leaves the European Union and the nation takes steps to recover from the coronavirus pandemic, this prospectus outlines our agenda for growth. It is explored through three themes, all of which are intrinsically linked to sustainability:

- Agri-food productivity and jobs
- A great place to live, work, eat and drink
- Clean growth in a net zero economy

Agri-food productivity and jobs

The South East boasts some of the most efficient, sustainable and technologically advanced farming and food businesses in the world. Owing to high sunshine levels, more than quarter of the nation's glasshouses are located here. Inside these are salads, herbs and berries grown for the nation, along with flowering plants that brighten our lives. The region is home to world-class institutions for research and development, besides being the gateway to London's financial services sector. Its farming and food sectors provide fertile ground on which to cultivate new jobs, harnessing technological innovations to promote growth, deliver services and boost export capacity.

A great place to live, work, eat and drink

Farmers in the South East manage stunning environmental and recreational assets, while producing traceable high-quality food and drink. Not only is there a world class wine industry emerging here, but indigenous-type foods of local and regional provenance are produced in abundance. Sustainable grass-fed beef and lamb, delicious dairy products including ice cream and cheese, local grains, hops for brewing, garden plants, and a nationally important supply of fresh fruit and vegetables make the South East special. This rich diversity of assets and services makes the region a great place to live, helping communities to thrive, families to grow and businesses to flourish.

Clean growth in a net zero economy

Farms already have the capability to lead the nation's transition to a carbon neutral economy, reducing greenhouse gas emissions to net zero. South East England has a strong culture of enterprise and its agricultural sector is no exception. Numerous land-based businesses already provide services in green waste management, composting, renewable energy, green gas production and biomass production for district heating. The services provided by farmland will be essential in securing low carbon heat and energy production, carbon storage and offsetting, alongside other locally-based services to support sustainable growth. The land-based sector will need to acquire greater levels of knowledge, and indeed capacity, to assist in this shift.

GOVERNMENT STRATEGY

The UK Industrial Strategy is focused on delivering economic growth and aims to 'put the UK at the forefront of the global move to high efficiency agriculture' with its new programme, *Transforming Food Production: from Farm to Fork*. The government pledges to: 'increase the incentives for investment in sustainable agriculture, helping to grow the markets for innovative technologies and techniques'. It concludes: '..by putting the UK at the forefront of this global revolution in farming, we will deliver benefits to farmers, the environment and consumers whilst driving growth, jobs and exports'.

The Clean Growth Strategy is linked to the Industrial Strategy and focused on breaking the link between economic growth and environmental impact, enabling the UK to spearhead efforts to decarbonise the economy and enhance the environment, through renewable energy and new manufacturing technology.

The National Food Strategy (in development) www.nationalfoodstrategy.org creates an overarching strategy for government, designed to ensure our food system:

- Delivers safe, healthy, affordable food; regardless of where people live or how much they earn;
- Is robust in the face of future shocks;
- Restores and enhances the natural environment for the next generation in this country;
- Is built upon a resilient, sustainable and humane agriculture sector; and
- Is a thriving contributor to our urban and rural economies, delivering well paid jobs and supporting innovative producers and manufacturers across the country.

The NFU is among the stakeholders working towards these goals.

OUR VISION FOR THE REGIONAL FARMING AND FOOD SECTORS

Pride in Our Farmers

For farmers and growers in the South East to grow resilient businesses, by having the skills and support structures to develop stronger links in the supply chain and for the value of their products to be recognised in the marketplace.

Premium Products

For the region's food and farming sectors to be recognised as a preferred source of food and drink in London and wider national and international economies.

A Great Place to Live and Work

For the distinctive food products, landscape and services delivered by farmers and growers to be recognised as integral to the region's social, cultural and economic identity.

Clean Growth

For farmers and growers in the South East to be the skilled workforce delivering a sustainable transition to a net zero economy.

South East Farming **Diverse and Dynamic**

Agriculture in the South East is diverse, multifunctional and dynamic. Agriculture here divides equally into three main farming types - horticulture, arable production and livestock production.

Agriculture and forestry in the South East directly employ more than 50,000 people, generating sales topping £2billion and a regional GVA of £1.25billion. The South East has a larger than average employed workforce when compared with other regions, reflecting its concentration of structured horticultural businesses, employing salaried managers, seasonal workers and a range of technological support staff.

The region's fruit sector is nationally significant, with almost half (40%) of all the nation's top fruit and soft fruit being grown in the South East, much of it in Kent, the aptly named Garden of England, which retains its tradition of growing hops for brewing.

Climate change, with gradually increasing temperatures, is already shifting the northern boundary of European viticulture. Therefore it's no surprise that the South East, with its free-draining soils, rolling hills and mild climate is now the focus of international attention, and seeing a rapid expansion of the wine industry. Plumpton College, in East Sussex, is home to the UK's first centre for excellence in wine, attracting students from all over the world. Scientists from NIAB EMR near Maidstone, in Kent, are part of a viticulture consortium, with growers and supply companies from Europe, tailoring high-level research for the region's wine growers. The wine sector has burgeoned by 400% since 2000. Some reports suggest it will match this growth rate within the next 20 years, with seven tenths (70%) of this growth predicted to be in the South East, creating 21,000 additional jobs. If these ambitions are realised by 2040, the region will see the same amount of land planted with vines as there is currently growing fruit.

This regional expertise within horticulture is also apparent in glasshouse production - the South East holds a quarter (25%) of English glasshouses, and accounts for 14% of national nursery stock production. The region is also a significant area for arable farming - the growing of 'combinable crops' in fields, producing 13% of the English crop of both cereals and oilseeds, and 18% of pulses (largely peas and beans). These crops are harvested annually by combine harvester, from mid July onwards.

In terms of livestock, the region holds 10% of England's beef herd and 6% of its dairy cows, milk production being concentrated in areas of the country with higher levels of rainfall. The South East is home to 6% of England's pig herd and 8% of its sheep flock. In poultry, the region has 8% of the total English flock and there is real strength in egg production, with 14% of England's laying hens found here.

The region is England's most wooded with 25% woodland cover (across the South East and Greater London) and there are 7,400 jobs associated with forestry. A third (32%) of the English forestry workforce is based here, with 10% of the national wood processing workforce.

The South East's farmers have embraced diversification rapidly and wholeheartedly, with most farms gaining non-agricultural income - ranging from tourism and leisure, to retail and catering, business centres and storage.



South East agriculture provides:

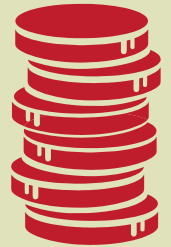
A world class wine region with the potential to create



21,000 jobs by 2040



Farmers in the South East generate



£1.25 billion

from all the crops and livestock produced



50,000 jobs

in farming (and forestry)



South East farmers care for 8% of the English sheep flock

The region has 14% of England's laying hens



Farm diversification generates more than

£0.25 billion annually



Almost half of the nation's tree fruit and berries are grown here

South East land has



woodland cover (more than any other region)

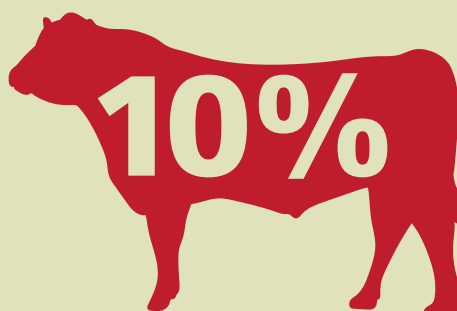
*South East and Greater London

Our growers have

1/4



of England's glasshouses, growing fresh produce and flowers



of English beef cattle are reared in the South East

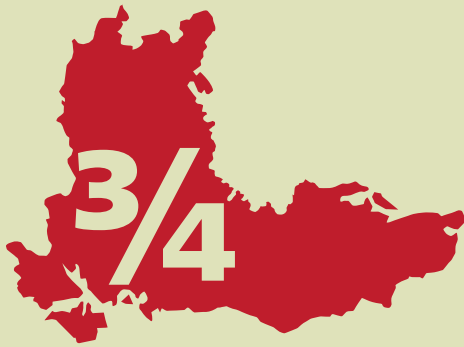
Farmers here produce

13%

of English cereals and oil seeds



Viticulture



of the UK's planted area of vines is in the South East

A further

14,000 hectares

of vines will be planted in the South East between now and 2040

The UK's world class viticulture sector will bring more than

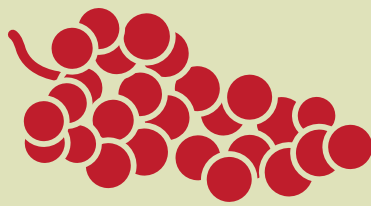
21,000 jobs



to the South East by 2040

English wine is sold to 40 countries and exports now account for 8% of production

8%



400%

The area of vines in the UK has grown 400% since 2000



Viticulture is vital to tourism - a third of UK sales are direct from vineyards



31%

of English wine is still



69%

of English wine is sparkling

KEY REGIONAL SPECIALISMS

A number of the region's specialist farming sectors are notable for their commercial excellence and potential for growth within the next decade or so. They include:

- **Fruit sector** - the region produces 40% of fruit grown nationally, with strengths in both top and soft fruit. The market for home-grown fruit continues to grow but imports account for 80% of fruit consumed. There is potential for further future growth in this high value industry, driven by UK sourcing and demand for shorter supply chains. New technology will help to boost productivity in the UK fruit sector, which will also benefit from climate change. Industry growth is underpinned by a strong academic base.
- **Glasshouse and protected cropping** - about a quarter of the nation's glasshouse area is located in the region owing to long sunlight hours, and the South East produces more plants, flowers and fruit for UK consumers than any other English region. West Sussex is home to the UK's first fully automated glasshouse with many major fresh produce companies located around Chichester. Kent boasts Europe's first Cravo House - a hybrid between a glasshouse and a polytunnel - again fully automated and complete with a major rainwater harvesting system. As demand for more sustainable food production grows, this existing expertise can support the growth of protected cropping in glasshouses and vertical farms.
- **Naturally-grazed beef and sheep flocks** - grazing livestock simultaneously deliver high welfare meat products while maintaining priority landscapes and habitats (those requiring conservation action). The region's farmers are poised to align with the forthcoming Environmental Land Management Scheme (ELM) to deliver positive environmental land management and ecosystem services, while curating a vibrant food culture and heritage within the region's high value visitor economy.
- **Short food chains** - the region has a large affluent population with well-established supply chain structures, which extend into the UK's largest food market in London. There is potential to create additional value for the region's farmers and growers through the creation of food chains which have fewer steps from producer to consumer, allowing more value to be returned to the producer.



AC Goatham & Son

AC Goatham & Son is the largest top fruit grower in the UK. It has 25 farms covering more than 3,000 acres, plus a further 20 partner farms, located in Kent. The company employs more than 250 full time staff and 800-1200 seasonal workers annually, producing some 350 million apples and 55 million pears each year. This means A C Goatham & Son supplies one in four British apples and one in three Conference pears sold in UK supermarkets each year.

The business has delivered a major programme of investment over recent years, including the acquisition of land, investment in infrastructure, new technology for grading and packing fruit, cold storage, orchard planting and management. More than 2.5 million new trees have been planted as part of this expansion, which began in 2013.

The business remains driven by continuous and ongoing investment to ensure sustainability for the future. Further growth has been achieved following the expansion of its base, Flanders Farm, with the opening of the Arthur Goatham building in 2016 with pre-grading, packing and cold storage facilities. Investment has continued across its key hub farms, taking cold storage capacity to more than 150,000 bins of fruit.

A C Goatham & Son has been producing apples and pears since 1947 and continues to grow, driving a £40million annual turnover. The business also estimates a wider influence over some 1,200 jobs in the local Medway economy through its network of suppliers, contributing £28million in GVA per year, which is set to double over the next 20 years.

www.acgoatham.com



The West Sussex Growers' Association (WSGA)

The West Sussex Growers' Association (WSGA) is a specialist horticultural branch of the NFU, supporting growers who are mainly located on the West Sussex coastal plain, England's largest area of glasshouse production. Growers here make a significant contribution to the local economy, generating sales worth more than £1 billion per year and employing more than 10,000 people.

They grow everything from fresh produce to flowering plants, trees and shrubs. Their products include tomatoes, peppers, salads and herbs grown in glasshouses, (known as protected edibles), along with ornamental plants mainly for the garden centre trade and for landscape projects.

The majority of horticultural businesses are not in receipt of support (subsidies) and therefore they operate in the open market. In general, these businesses tend to deal directly with their customers and the relationships that are commonly seen include: grower to supermarket, grower to food service industry, grower to local authority, grower to garden centre(s) or grower to multiple retailer(s), such as a DIY store chain. Typically, given that most horticultural businesses negotiate day-to-day volumes and prices with customers, most have their own sales and marketing teams. In addition, medium to large businesses not only employ growers, but also staff with expertise in marketing and technical specialisms such as engineering, IT, logistics, human resources and accounting.

Growers are always striving to become more efficient and sustainable, achieving economies of scale by expanding their enterprises, updating infrastructure and adopting new technologies such as automation.

wsga.co.uk/about-us



Barfoots of Botley

Barfoots was founded in 1976 by Peter Barfoot to supply exotic vegetables to retailers. Over time the business has expanded overseas and now has operations in Spain, West Africa, and South America, along with farming agreements and grower partnerships in around 25 other countries. Employing more than 1,000 people in the peak of the UK summer season, the business supports the livelihoods of many thousands more people around the world.

Sustainability is at the heart of the company's production processes, and it was an early adopter of Anaerobic Digestion (AD) technology in the UK to transform the green waste the business produces into energy. It currently produces more than twice the energy it needs to fuel its factories and packhouses, selling the surplus to the National Grid.

Its processing facility in West Sussex produces a large amount of sweetcorn husks, amongst other vegetable by-products which provides the feedstock for the anaerobic digestion plant. This produces 2.3MW of electricity per hour - enough to power the processing facility, offices and a further 3,000 homes.

As a result of this £5.5million investment in 2009, which was partially supported by grant funding, the business has been carbon neutral since 2010.

What remains after the process of anaerobic digestion is called digestate. This is pasteurised and used as part of the farm's fertiliser programme, offsetting the amount of manufactured fertiliser used for the production of 7,500 acres of field vegetables in the UK. The solid part of the digestate is spread to land to improve soil health and condition. Where possible, the company pursues a minimum tillage policy, with extensive cover crops established in the autumn to improve drainage and enhance soil carbon. This helps to retain valuable nutrients in the soil - vital for growing top quality vegetables - while boosting biodiversity and cutting energy consumption.

Up to 5,000 tractor journeys per year are avoided with the AD plant being directly adjacent to the factories, and the company uses all of the green waste it produces.

In addition, Barfoots contributes to schemes to relieve food poverty and reduce food waste. This includes working with partner charities, FareShare Sussex and UKHarvest, collecting surplus good-quality food, including 'wonky veg', distributing it to those in need. Through FareShare Sussex alone, Barfoots has donated more than 34 tonnes of vegetables that would otherwise have gone to waste. This is equal to more than 443,000 nutrient-rich servings of sweetcorn, courgettes and other vegetables.

www.barfoots.com



Agri-Food Productivity and Jobs

As primary producers, farmers and growers are at the start of food chain and fuel the food economy.

Most food is not supplied direct to consumers by farmers - it enters a complex, multi-faceted and dynamic food chain which adds value through processing, wholesaling, distribution, retail and catering. This substantially increases the eventual value of a food product and the employment associated with it.

Agriculture and forestry directly employ more than 50,000 people and, in turn, these sectors support a further 180,000 jobs in allied industries including the supply of inputs (such as seeds), sales of machinery, food and drink manufacturing, wholesaling and professional and technical services. The strong agri-food supply chain in the region acts as an engine for the wider economy through stimulating demand for other goods and services, whether directly through the purchases made by companies in the agricultural and food supply chain, or indirectly through the wages and spending of those who work in the industry.

The combined population of London and the South East is 17.9million (2017) people and the UK's biggest catering sector is here. Agriculture provides the raw material for the food sector which, before the pandemic, supported 1.1million jobs in London and the South East. Many jobs in this sector are geared to 'added value' or restaurant catering and eating outside the home.

- Agriculture underpins the food and drink sector and is the foundation for wider economic activities.
- For every job within agriculture in the region, there are another 2.5 jobs in allied industries such as food processing, wholesaling and distribution, and the supply of inputs, along with another 18 jobs in food retail and catering.

KEY REGIONAL OPPORTUNITIES FOR AGRI-FOOD

The region's farming and food sector supports the wider economy, with sophisticated supply chains delivering high quality nutrition to our towns and cities 365 days a year. Future opportunities include:

- Access to major, high value UK markets which favour UK sourcing - London and other large domestic markets offer potential for growth to feed both domestic consumers and the visitor economy. The South East and London together have the largest visitor economy in the UK.
- Short food chains - consumers and the industry are showing increased interest in short food chains. These have fewer steps from producer to consumer, promoting transparency and provenance, and simultaneously returning more of the eventual retail value to the producer.
- Climate resilience - the South East of England has less risk from climate change, and therefore a potential high value agricultural economy, when compared with many other areas of the world from which the UK imports food and drink. For example, French Champagne houses are making huge investments in the South East, planting new vineyards. By 2040, the area planted with vines will mirror that growing fruit today. A changing climate may mean other new crops could also be grown here in the coming decade.
- Growth in global export potential - South East England is the nation's gateway and shop front, its world class airports and seaports connecting the country with the global economy.
- Knowledge-led growth - agriculture is a knowledge intensive industry. Its farmers and growers will continue to work in partnership with the region's burgeoning university and research community to deliver some of the most technologically advanced, efficient and sustainable growing systems in the world.

World Leading Agri-Tech

Agri-tech provides the necessary tools to address the long term commercial and sustainability challenges facing global agriculture.

Since 2013, annual global venture capital investment into agri-tech has grown by 360% and is estimated to be worth £4billion GVA to the UK. Research and development is particularly relevant to the food chain given the need to increase productivity and reduce environmental impacts.

The South East has a collective strength in education, applied research and knowledge exchange. Agri-tech is underpinned by academic and research centres working alongside industry. In the South East, there are at least 10 universities and five colleges with agri-food and agri-tech programmes. An estimated 3,500 staff in this sector deal with aspects of agriculture, land management and the food chain, making a regional GVA contribution of some £140million.

The region is ideally placed to develop knowledge capital and deliver product innovations; these already give the farming and food sectors early access to new technology to improve competitiveness.

The globally significant agri-tech research centre at Syngenta's Jealott's Hill site in Berkshire has been involved in some of the greatest advances in global agricultural science in the modern era.

Some 800 staff are directly employed and the facility is the company's largest site for new agrochemical research and development (R&D) and product support. It is also a key centre for R&D collaborations - partnering with the UK and global research base.

NIAB EMR, near Maidstone, in Kent, has a significant international reputation for strategic and applied research, development and innovation in horticulture, with emphasis on perennial and clonally propagated crops. The facility is currently in the first phase of developing an innovation campus, expected to generate in excess of £2.3million of additional spend on research and development in the region.

The Pirbright Institute, located in Surrey, plays an important role in global food security by undertaking research to prevent and control viral diseases of livestock and those that spread from animals to people. The Institute has undergone significant change over the past 10 years and has received more than £350million of capital investment from the Biotechnology and Biological Sciences Research Council (BBSRC UKRI) to enable it to respond swiftly and effectively to threats.

Together these centres are believed to sustain a further 7,000 high quality jobs in the wider regional economy.

Case Study

Growing Kent and Medway Innovation Cluster

Growing Kent & Medway is a world-class research, innovation and enterprise cluster supporting growth in technology-driven horticulture, fresh produce packaging, food and drink processing and its supply chains.

It acts as a catalyst to commercialise technologies for climate-smart food production, novel plant compounds, value addition and waste minimisation. It drives innovation and wealth creation by providing a vibrant and collaborative environment that enables enterprises to thrive. It connects industry with technologists and researchers to address the challenges faced by a sector and its supply chains.

The cluster is located in an area that is delivering major export growth. Most of the UK's high-value horticultural production, packaging and processing takes place here and Kent is a major gateway to global markets. Significant growth potential lies in produce such as British berries, whose export value has increased by more than 300% in recent years. Notable opportunities also exist in Kent's burgeoning viticulture industry. Demand for UK wine is ahead of supply, and exports are expected to grow to 25% of production by 2025.

The Growing Kent & Medway cluster is led by a world-class consortium of partners from NIAB EMR, APS Salads, Berry Gardens Growers, Chapel Down Plc, Geku UK Ltd, Gusbourne Estate Ltd, Locate in Kent, Richard Hochfeld Ltd, Smurfit Kappa UK Ltd, Thanet Earth Ltd, World Wide Fruit Ltd, Kent County Council, Medway Council, the University of Greenwich, and the University of Kent. The collaboration increases research capacity and industry engagement to drive innovation and the commercialisation of technology. It receives strong support from the area's political, civic and business communities. The consortium has received support from the UK Research and Innovation (UKRI) Strength in Places Fund.

www.growingkentandmedway.com

A Great Place to Live, Work, Eat and Drink

Arguably, the South East has the most diverse farming sector of any region, besides being the English region with the highest level of woodland cover and a large number of protected landscapes.

These valued greenspaces contribute to the health and wellbeing of people who live and work here, and enhance the lives of visitors to the region. This rich tapestry underpins the region's tourism industry. The true economic value of the farmed environment is hard to quantify, but is supported by the value people attach to accessing the countryside. This key regional benefit arises directly from the work of farmers and growers, as food producers, land managers and custodians, and it has come into sharp focus during the coronavirus pandemic.

The South East region is attractive to investors as well as visitors. Its diverse natural assets, economic connectivity and high quality experiences, including food and drink offerings on the doorstep, are drivers of investment by business and among the reasons high-earners live here.

The role of agriculture in making the region attractive to residents, investors and visitors is based on the provision of:

- Regional speciality food, drink and culture - the region has a wealth of speciality food and drink products which appeal to an affluent local population and support the visitor economy. As consumers become more interested in the provenance and traceability of their food, South East farmers and growers can support a vibrant food economy, capitalising on the region's distinctive food heritage and culture. There is potential to create additional high value sales, to build online platforms and distribution systems, and to develop export opportunities. Such developments will help consumers continue to buy the region's specialities from their armchairs.
- Grape and grain -South East England is at the centre of the UK's rapidly growing viticulture sector which is gaining an international reputation as a premium wine growing region. Regional production is expected to grow by more than 400% within the next 20 years, creating an additional 21,000 jobs.

Kent remains the hop growing centre of England and is home to the UK's oldest brewer, Shepherd Neame. The long-established brewers are now complemented by countless new micro-breweries across the region, and a number of gin distilleries have also sprung up within the past decade or so. Besides supplying high value beverages, this sector also has major potential to support tourism growth.

- Natural environment - farmers directly manage around two thirds of land in the South East and are thus uniquely placed to deliver environmental management of landscapes, biodiversity, woodland, and deliver ecosystem services such as water management and carbon sequestration. The maintenance of this natural capital by the region's farmers provides secure and sustainable conditions in which the wider economy can flourish.
- Countryside recreation and education - the region already has districts with the highest rates of countryside access in the country. Increased access to the natural environment supports community wellbeing and physical health, while generating new economic opportunities for farmers to diversify their businesses. Farmers are ideally placed to meet community needs in providing enhanced access and educational opportunities. These may include formal or informal rural education courses and recreational learning, as well as programmes within care farms for those with physical, mental or other health and educational needs.



Hattingley Valley Wines, Hampshire

Hattingley Valley Wines celebrated its tenth anniversary in 2020 and, with more than 100 medals, 13 trophies and three Best in Class for its sparkling wines, there is much to celebrate. Recently its Kings Cuvée was awarded 'Best Sparkling Wine in the UK' at the WineGB Awards 2020.

Along with its 25 acre vineyard, the business developed a winery and operates as both an estate winery and a contract winemaking facility. It works with partner vineyards across the south of England, providing professional vineyard management and winemaking services. This now includes a partnership winemaking agreement with a prestigious French Champagne house. Hattingley has also recently launched its first range of still wines, known as 'the STILL by Hattingley' collection, with the release of a 2019 Rosé last spring and a 2016 Pinot Noir last autumn.

Under the stewardship of expert wine maker Emma Rice, who first obtained her qualifications in viticulture from Plumpton College, East Sussex, the team has rapidly expanded from two to 20 full time workers, plus up to a further 50 seasonal workers at harvest, making it one of the largest wineries in Britain. In 2016, with industry partners, Hattingley created Britain's first apprentice winemaker who went on to become its assistant winemaker.

Since commercial director Gareth Maxwell joined the team in 2015, Hattingley has rapidly established a worldwide distribution network, being possibly the best distributed English wine brand in the USA and also exporting to Japan, Australia, and widely across Europe. Its wines are sold all over the United Kingdom via independent hotels and wine merchants, and in select supermarkets including Tesco. In 2019, Hattingley Valley collaborated with British Airways to launch an exclusive blanc de noir sparkling wine in celebration of the airline's centenary.

Hattingley Valley hosts regular winery tours and tastings, open days and festivals. This boosts local hospitality businesses and suppliers, whilst also raising the profile of the area as a destination for high quality food and wine. It has been memorably described as the 'mothership' of Hampshire wineries as its success has encouraged the establishment of a number of new vineyards in Hampshire, thereby firmly establishing the county as a major wine producing area. This family owned business is now producing half a million bottles per year and continuing to grow its worldwide customer base.

hattingleyvalley.com



Premium Local Provenance

Over the past decade, a series of trends have emerged within consumer spending on food that give rise to new opportunities for the agri-food and land-based sectors.

These include more eating out of the home; growing awareness of diet, environment and sustainability; and changes in how consumers order and/or buy food and drink.

In the UK, consumer spending on food and drink has continued to grow, with even stronger growth seen globally. Most of the extra expenditure in the UK has arisen from the increased consumption of food outside the home, driven by online sales of food coupled with restaurant and fast food delivery services. In addition, global food trade has continued to grow, with the low value of Sterling boosting exports, although exports remain at half the value of imports.

In 2020, the global pandemic temporarily disrupted trends in consumer behaviour and expenditure. It is too early to say whether these trends will persist, given the economic impacts of Covid-19. However, commentators recognise the importance of short food chains and strong local arrangements in keeping supply chains functioning, with many NFU members finding new ways to deliver food direct to consumers.

The South East has a large affluent population, with well-established supply chain structures that extend into the UK's largest food market in London. The region also has a strong and diverse base of producers ranging from fruit, vegetable and ornamental plant growers, to producers of grass-fed sustainable beef and lamb, high-value dairy products and some of the UK's highest quality grains.

The region's farmers and growers can generate additional value from the food chain by embracing supply chains which have fewer steps from producer to consumer, allowing more value to be returned to the producer.

As consumers become more interested in the provenance and traceability of their food, South East farmers and growers can support a vibrant food economy which is distinctive, innovative and built on the region's strong food heritage and culture.

Emma's Ewesful Acres

Lamb reared in a traditional and environmentally friendly way by an Oxfordshire-based solo farmer appeals to discerning consumers across a large area.

Grass-fed lamb raised by Emma Blomfield, who is a tenant of The Earth Trust, near Abingdon, continues to grow in popularity.

Trading as Emma's Ewesful Acres, Ms Blomfield, who originally hails from the New Forest, has customers across the Thames Valley, and south along the A34 corridor right to the western edge of Hampshire. Ms Blomfield, who produces grass-fed lamb, hogget and mutton, along with beef, has seen both orders and her delivery round increasing during the pandemic. And then she picked up a coveted Great Taste award, scooping a two-star rating in the 2020 awards for her grass-fed shoulder of lamb.

The meat's unique flavour comes from the wildflower meadows where Ms Blomfield's flock of 350 pedigree Lleyn breeding ewes grazes freely - they are never fed grain. Judges singled out her product for its great texture and appearance, high quality and great taste. A stamp of excellence among consumers and retailers alike, Great Taste values taste above all else. All products are removed from their packaging before being tasted. The judges then savour, confer and re-taste to decide which products are worthy of a one-star, two- or three-star award.

Ms Blomfield's Sussex and Simmental beef cattle are used for the conservation grazing of floodplain meadows and are central to a project that aims to restore the migrant yellow wagtail as a breeding bird in the Thames Valley.

Emmasesfulacres.com



Buying Local

Hampshire Fare www.hampshirefare.co.uk

Hampshire Fare is an award-winning group dedicated to supporting local producers and businesses to raise awareness of Hampshire food, drink and craft. This not-for-profit organisation works with nearly 400 members - food, drink and craft producers, and hospitality businesses, including cafes, caterers, pubs, restaurants and retailers such as box schemes, butchers, farm shops and village stores. They all share a commitment to sourcing local, supporting their communities and contributing to a sustainable future for the county's food and farming industries.

Hampshire Fare's role is to champion local food, drink and craft; increase awareness among the public and trade of the wide range of local produce available; encourage high standards and best practice; assist producers to compete as viable enterprises; and foster all members' development. This is achieved through identifying or creating business opportunities, routes to markets, events, marketing and publicity.

Hampshire Fare works strategically with Hampshire County Council, along with a broad range of corporate partners and friends including Southern Co-Op, Business South and NFU Mutual. Some of its food producer members supply produce for Hampshire County Council school meals - see www.hants.gov.uk/educationandlearning/hc3s/ourfood/suppliers

Produced in Kent www.producedinkent.co.uk www.helpkentbuylocal.co.uk **#Caring Customer**

Produced in Kent is a strong and widely recognised brand, championing local and sustainable food, drink and craft from the Garden of England. Its vision is for Kent 'to be recognised as the English region that sustainably produces, sells and serves the finest local food'.

The organisation provides branded point of sale materials for its members as well as on and offline promotional and marketing support. It has formed partnerships with industry to deliver business support relevant to the food and drink sectors for its members. Produced in Kent secures a dedicated Produced in Kent space for members at regional fairs and festivals. It also collaborates closely with strategic partners such as Visit Kent, Locate in Kent and the Kent universities and colleges in campaigns and projects. Its Kent Food Trails encourage visitors to explore the Kent countryside using active travel and visit and/or learn more about how food and drink in the county is produced.

Annually, it runs a business conference and the Taste of Kent Awards, showcasing the best of Kent's food and drink products.

Working in partnership with Kent County Council, to support the local economy, Produced in Kent is now a self-sustaining membership organisation.

A new website, sussexfoodanddrink.org helps people to buy local and includes an enhanced map and online directory that gives free listings to local producers, independent retailers and hospitality businesses which sell and serve local produce, as well as foodie events and experiences. This initiative has been partly supported by a regional project that has funding from the regional economic partnership, SELEP, during 2020. A South East regional website - buylocalfoodanddrink.co.uk - helps direct people to the county hub.

Clean Growth in a Net Zero Economy

Agriculture is increasingly multifunctional, typified by the continuing provision of renewable energy, alongside other commercial services and facilities.

The NFU has committed to deliver net zero in agriculture by 2040 and the industry's ambition is already clear. Farmers will play a central role in both decarbonising food production and delivering products and services which replace fossil fuels and sequester carbon on behalf of society. As the UK moves to a net zero economy, the South East has a natural advantage over other English regions - the longer sunlight hours here mean the region can, in theory, generate 36% more electricity from solar power than anywhere else in the country. Its existing woodland and wood-processing workforce is advantageous with the growing focus on the bio-economy and plans to increase woodland cover to help mitigate climate change. This sector can potentially provide the human resources and specialist equipment necessary to develop wood and other crop supply chains.

National predictions are for the low carbon economy to grow four times faster than the rest of the economy. For example, the UK Bio-economy Strategy in 2018 had a stated ambition to double the value of the bio-economy by 2030 to £440billion. It identified major global opportunities including the potential to increase:

- Productivity, sustainability and resilience of agriculture and forestry
- Sustainable, healthy, affordable and nutritious food
- Low carbon products such as bio-composites and bio-plastics
- New forms of clean energy

The South East is well placed to respond to this growth in the bio-economy, owing to its strong academic base, productive agricultural sector, large woodland area and high value regional markets. Most biomass is currently utilised in energy generation.

The South East Local Energy Strategy identifies actions to develop low carbon heating systems, biofuels for transport and a centre for carbon capture, use and storage. Much of this strategy depends on services from farmers, in terms of the provision and management of land for renewable energy generation, and the sustainable management of the region's woodlands, which could potentially yield up to one million tonnes of timber per year. With the large house building targets for the South East, the increased use of locally-sourced timber would benefit the region's land-based sector and aid sustainability.

The South East is currently ranked second amongst English regions for renewable energy, producing more than 4,000 KWH per year from a diverse mix of sources. Surprisingly, however, given the concentration of woodland here, only 8% of English renewable heat installations (RHI) for biomass (625 boilers) are in the region. This suggests there is potential for further local growth of this sector creating a new market for woodland owners.

The agriculture and food sectors can potentially increase their contribution to the renewable energy sector, whether as a generator, a user or by providing storage sites. An estimated 7% of England's commercial Anaerobic Digestion (AD) plants are located in the South East - 25 plants (as of March 2019) - which are typically run on farm crops or waste food. Seventeen of these are believed to be farm-based plants producing a mix of electricity, heat and bio-methane.



South East Forestry



1/3

A third of English forestry workers are employed in the South East

Forestry and wood processing support

7,400 jobs

in London and the South East



£1 million tonnes

South East woodlands could yield 1 million tonnes of timber per year



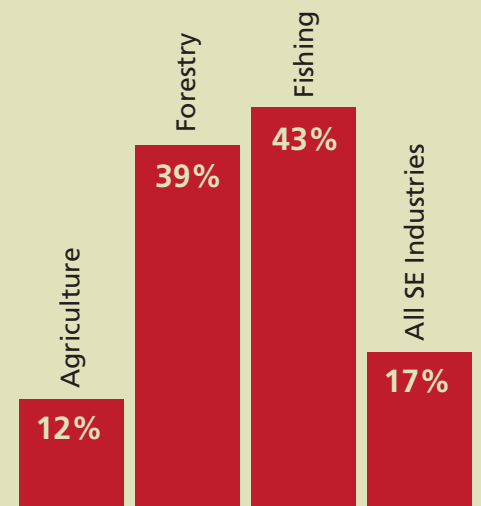
South East land has 25% woodland cover (more than any other region)

*South East and Greater London

The South East could make a **significant contribution** to the bio-economy

England's Woodland Capital

Growth in Primary Industries in South East Region 2013 - 2018



KEY REGIONAL OPPORTUNITIES - A VIBRANT RURAL ECONOMY DELIVERING NET ZERO

The challenge of climate change has seen the UK adopt a target to achieve net zero by 2050 and the NFU has committed to deliver this in agriculture by 2040. Farmers have a central role to play both through decarbonising food production and through delivering products and services which replace fossil fuels and sequester carbon for the long term. Future opportunities include:

- Skills - the region has a strong network of land-based colleges that will provide the new skills needed as the net zero sector grows and to help diversify the economy.

Net Zero:

- Renewable power generation - given their access to land and buildings, the region's farmers are ideally placed to provide renewable power generation to meet the growing regional needs for renewable power including Anaerobic Digestion (AD), solar and low-head hydro power.
- Biomass - biomass produced on farms can be used for direct combustion to produce heat, in AD plants and to produce biofuels. The region has a natural advantage given its high level of woodland cover, much of which is on farms, and its large woodland workforce which provides the human and equipment resources needed to develop the wood and other crop supply chains.
- Carbon sequestration - farming has a central role to play in carbon sequestration in soils and woodland, with the potential for new income streams from the public and private sectors to support this work. Rebuilding soil carbon is also good for farm productivity and water management and will be supported by the Environmental Land Management Scheme (ELM).
- Bio-economy - the demand for sustainable products produced from crops and livestock, including from co- and by-product streams, is growing as companies seek to respond to consumer demand for more sustainable products and government investment in the sector grows. With high value regional markets and an existing strong wood-processing sector, the South East is well placed to exploit this trend.

Rural Economy:

- Farm diversification for consumers - farmers can deliver new jobs by creating a wide range of new enterprises from tourism, sport and rural experiences, to events and specialist farm retail centres.
- Clean economy services - as well as energy services, farms are running businesses such as green waste management and composting. As demand for the circular bio-economy grows, more processing capacity will be needed.
- Support for other rural entrepreneurs - farmers will continue to develop rural business space to accommodate other rural companies in offices, warehousing and light industrial units. Given the societal changes driven by Covid-19, it is anticipated that more rural residents who previously commuted to work in major towns and cities will want to work closer to home, with rural business centres an attractive option. The transition to online retail will also drive demand for warehouse space.



Manor Farm Surrey - Laurence and Paula Matthews

Sustainable food production is at the heart of the Matthews' approach to farming in the Surrey Hills - their family run farm extends to 3,000 acres within a 20-mile radius of Wotton, near Dorking. Besides employing family labour, the farm has four full time staff, taking on another two or three during harvest. As many as 50 additional specialists, contractors and agricultural service providers may be called upon throughout the year.

Arable crops such as maize, peas, oilseed rape, fodder beet and wheat are grown for food and fuel production. In addition, approximately 300 crossbred beef cattle are reared annually.

The farm's pedigree suckler herd of Belted Galloway cattle is kept to high welfare standards and deployed for conservation grazing. These cattle maintain species rich chalk grassland and create habitats on the farm, producing top quality beef. Their 100% grass-fed, Pasture for Life-certified beef is sold direct to individuals, butchers, pubs and restaurants.

Wildlife has been boosted by hedge-laying, a pond restoration project and the creation of grass and wildflower areas in fields. And a system of direct drilling, zero tillage and the integration of ruminants within the crop rotation puts the soil and ecosystems at the heart of this regenerative farm. It's no surprise that the Matthews' Red Tractor-assured grain and the grass-fed Belted Galloway beef is in demand.

The family established the Surrey Hills Business Park in 2001, converting redundant farm buildings into offices, storage units and a retail premises. The extra income gives much needed stability, while providing purpose-built workspace for businesses. In addition, Paula Matthews offers free educational visits, hosting hundreds of local and inner-city school children since 2007.

www.manorfarmsurrey.com

Meon Springs, Hampshire

Jamie Butler is a commercial dairy farmer based in Hampshire, with 400 grass-fed cows at Whitewool Farm, East Meon, supplying milk to Sainsbury's and running diverse enterprises. He's a member of its dairy development group, with the retailer helping to keep prices stable while providing veterinary and technical support. The farm also grows around 700 acres of cereals and oilseeds, along with forage maize to feed the cows.

The farm is in the South Downs National Park and Mr Butler has diversified over a period of more than 20 years to generate additional income. The diversifications, marketed as Meon Springs, comprise a fishing lake, holiday accommodation in the form of a yurt village and shepherds' huts, along with self-storage units for rent. The business also hosts corporate hospitality and business training events which take place in a converted barn, formerly a redundant farm building, that is also used for community events.

The overall aim is to remain a farm business, yet balanced with non-farming enterprises - about 30% of the farm's turnover is now from sources outside agriculture.

The expansion of glamping was partially supported by funding from the former Rural Development Programme for England, that helped rural businesses to grow and diversify into areas such as tourism.

www.meonsprings.com



A Green Recovery from the Global Pandemic

The global pandemic has caused the biggest economic contraction for 300 years - its effects are likely to be felt for decades to come.

Coronavirus has not only disrupted people's daily lives, it has severely affected the food supply chain. Its acute impacts on the hospitality and catering sectors have left many businesses facing ruin or restructuring. The pandemic has also prompted many consumers to think about the source of their food, the way they engage with local businesses and the value they place on contact with nature and outdoor exercise, so often accessed via the farmed countryside.

The structure of the food chain could be permanently changed as a result of Covid-19. It goes without saying that food service, an enormous sector in the South East and London, has been adversely affected. But during the pandemic there has been an enormous upsurge and acceleration in the growth of online food retail and home delivery, fuelled by online platforms and apps.

The pandemic has driven many businesses to accommodate more flexible home-working arrangements, with a high proportion of the skilled workforce dropping the daily commute and demonstrating they can work productively from home. Given the societal changes driven by Covid-19, it is anticipated that more rural residents who previously commuted to work in major towns and cities will want

to work closer to home, with rural business centres an attractive option. The transition to online retail will also support growth in demand for warehouse space.

Taken together, these aspects indicate that a less centralised network of growth could emerge. This could potentially involve more focus on local supply chain networks, less focus on travelling to a centralised office, more activity online in rural areas, smaller visitor experiences and more food consumed in the home.

While it is too early to say anything with certainty, the South East region has a large commuter population involved in knowledge-based industries. It is this section of the workforce which is most likely to be able to adapt to new patterns of work, potentially involving less focus on central business districts, with more widely distributed work locations emerging. This changing pattern in the way people do business has implications for food supply chains, and for water and energy use, as people work in more widely dispersed locations.

The farming and land management sectors can play a crucial role in providing new workspace options, warehousing and catering facilities, while delivering agile support for local supply chains.

Strategic Actions for Sustainable Growth

The farming and food industries are vital economic sectors in their own right, besides being the foundation of the food chain.

In addition, agriculture is playing an increasingly important role in maintaining ecosystem services, environmental benefits and a vibrant rural economy. To maintain and enhance the industry's role, the NFU has identified three priority actions to deliver sustainable growth in the industry and wider economy.

1. Invest to Grow

To compete globally it is essential that the industry invests during the agricultural transition period starting in 2021, so that by 2028 UK agricultural production is sustainable and resilient. There is also a need to stimulate the development and adoption of farm and food chain innovation. To secure more sustainable profitability and innovation, farmers will need to invest in new technologies, physical infrastructure such as buildings and reservoirs, new enterprises and new partnerships. Government should assist this process through rural development grants, tax breaks, advisory services and other support which helps the industry to adopt the latest technologies and systems.

To support innovation, government should provide a long-term commitment to work with industry, ensuring that research investment is translated into technologies that can be applied on farm. Government and the telecommunications industry must make adequate broadband and mobile connectivity in rural areas a priority. Partnership investment and formal agri-tech partnerships between government and industry would improve the productivity and sustainability of UK farming, whilst creating products and services with global export potential.

Priority investments include the digitalisation of agriculture, productivity growth, including the potential to replace labour with automation in order to create higher value jobs, environmental improvements which can be delivered in parallel with productive farming, along with policy recognition for agriculture's role within a low carbon economy.

Innovation investment should support upskilling of the industry so that it is equipped to make full use of new technologies and services.

2. Industry Collaboration for New Food and Drink Opportunities

Farmers in the South East will continue to embrace consumer and market changes, such as the use of digital technologies in the supply chain, alongside the growing emphasis on provenance and sustainability, and changes in diet driven by a focus on health.

The region's farmers will prioritise investment in products where demand is expected to grow, or where the region has particular advantages, such as the large growth potential in viticulture, growing demand for fruit, ornamentals, other glasshouse crops and naturally-grazed meat and dairy products.

To respond to these opportunities, the region's farmers will need to work closely with the supply chain to develop new products and innovative mechanisms to ensure traceability for the consumer. Farmers will also collaborate both vertically with partners in the supply chain, and horizontally with other farmers, to help the industry add value and deliver efficient supply chains for food and non-food products.

Further industry collaboration, through structures such as Producer Organisations, will also support cost control and price setting, along with the introduction of new technologies coupled with the marketing of products and services according to provenance, sustainability and traceability. The farming industry can offer all these credentials.

Above all, the agricultural sector will need to go through a period of upskilling and retraining, so that the industry has the business management skills to take strategic investment decisions as innovative products are created, new routes to market identified and novel ways of collaborative and digital working are established.

3. Spatial and Economic Planning

The agriculture sector in the South East can contribute to regional growth directly through the expansion of food production, its contribution to the bioeconomy, and indirectly, by supporting the food chain, visitor economy and by making the region an attractive place in which to live and work. Agriculture is also a major user of knowledge and new technology; given the region's agricultural research base, there are opportunities for the creation of high value technology-led jobs.

Local Industrial Strategies (LIS) and Strategic Economic Plans (SEP), spearheaded by Local Economic Partnerships (LEPs), must recognise this potential. They should support a clear growth agenda for the industry in local spatial plans and through economic development support delivered via LEPs and local authorities.

Farmers and diversified farming businesses are at the heart of the rural economy and the South East is home to the UK's most diversified farm businesses. Farmers should continue to find new ways to create additional income streams from their farms and buildings and by utilising their entrepreneurial and technical skills. This will include embracing the demand for sustainable products, providing new services for the visitor economy and for specialist markets, such as care farms. Many diversifications can capitalise on regional assets, such as woodland, by adding value to wood and other primary products through processing. There is enormous potential to create new services such as vineyard tours and wine trails, building on the region's world class and rapidly growing viticulture sector, with countless other farming and food assets.

Agriculture and horticulture businesses require modern infrastructure such as specialist buildings, livestock housing, glasshouses and polytunnels, cold stores and packhouses to compete internationally. Investment by farmers and growers in renewable energy and water infrastructure will grow in importance. Farm diversification to make farm businesses viable after changes to agricultural support, in most cases, will also demand investment in infrastructure.

PRODUCER ORGANISATIONS

As the UK leaves the European Union (EU), the country also quits the EU Fruit and Vegetable Aid scheme with its Producer Organisations (POs) model that enable growers to collaborate by creating large selling desks. Defra has committed to funding existing POs for the life of its current programmes, which will be expiring between 2022 and 2024, and is set to develop a new horticulture productivity scheme which should be in place by 2022. The NFU has committed to work with government in developing this.

Vital Infrastructure

Water Resources

The growth of urban populations places increased demand on public water resources and infrastructure; the South East region has been assessed by the Environment Agency as being in a state of 'serious water stress', calculated according to the growth in household demand relative to rainfall. In addition, nationally around two thirds of all agricultural holdings are located in catchments where no additional water is available and competition for water is increasing. More than one third of all irrigators in the South East stated they are frequently impacted by limited water availability. These growers estimate that the water they use accounts for up to three quarters of the commercial value of field crops and 100% of the value of fruit grown in protected cropping systems. The horticultural powerhouse of the region depends on this vital resource and needs enhanced access to grow its contribution to jobs, economic prosperity and the nation's nutritional health.

There is scope for farmers to improve catchment resilience through developing better water capture in the form of rainwater harvesting and winter storage reservoirs. Water Resources South East has estimated that the additional water required in the South East by 2050 could be as much as half the total needed nationally. More than a third of this additional requirement is generated by the need to increase the resilience of the public water supply network to droughts and to deliver better protection for the environment. The needs of the agriculture and horticulture industries for water resources should be seen against this backdrop of a much greater volume of future demand for public supply. There are clear synergies between the large amount of public water needed in the region and the priority of supporting growth in the region's farming and food sectors. By investing in catchments so that they are fully resilient to major drought, this can benefit the environment, the public and food producers alike.

Farmers and growers, as food producers, should be involved in the decision-making processes at catchment level in order to plan and articulate their resource requirements over a long-term period, just as the water industry plans resource management over a 20 year period. Involvement in decision-making on water resources would deliver confidence for businesses, and a degree of certainty, when predicting future business growth. Producer organisations (large selling desks) and buyer groups play a vital role in enabling individual businesses to secure recognition for their requirements among decision makers.

Red Meat Infrastructure and Processing

Different types of abattoirs are vital to enable the proper functioning of the supply chain and to support sustainable markets. Abattoirs, both large and small, are necessary for those rearing livestock for slaughter and planners should recognise their role within food production. Farmers who are producing a large number of animals for multiple retailers generally have ties with larger processors, or their own facilities. Their needs could not be met by small abattoirs. Small abattoirs generally serve smaller livestock farmers in or near their locality who are producing for smaller, niche markets. Small abattoirs provide a critical role in providing 'private kill' services and the easy return of livestock products to the farmer who can then add value himself by selling direct to consumers or by working in collaboration with other small retailers. Small abattoirs are associated with lower food miles and make a big contribution to animal welfare, given the shorter journey to slaughter. This is the case both in normal circumstances or in the case of emergency slaughter of an injured animal, as set out in the report by the All Party Group for Animal Welfare, *The Future For Small Abattoirs in the UK* (2020). Small meat producers with their own retail butchery outlets, or those with farm shops, may need to develop cutting room facilities on their premises.

Dairy Processing

Processing facilities of different sizes are vital for just-in-time processing and bottling of liquid milk and liquid milk products, but also for the production and storage of products ranging from cheese to skimmed milk powder. The largest processors operating within the South East, or serving the region, are geared to producing for multiple retailers and food service customers. Countless smaller processors have built their own facilities in order to add value to the farmgate price of liquid milk by bottling their own for direct sale, or, more commonly, by processing milk into cheese, yoghurt, ice cream and other speciality dairy products.

Since the Second World War, there has been a revival in artisan production of cheese and speciality dairy products. This renaissance accelerated from the mid 1980s, with exponential growth since 2000, owing to seismic changes in the purchasing of liquid milk and dramatic falls in farmgate prices. Despite a decline in the number of dairy farmers, Britain now boasts more than 800 types of cheese - more than France - with British cheeses winning awards nationally and internationally. Larger artisan producers are selling to foodservice customers and exporting cheese.

Over the years, as demand for liquid milk has changed, many of the milk processing plants serving the South East have gradually disappeared. There is now a greater demand for manufactured products, especially with possible changes to the dairy marketplace post Brexit. Increased manufacturing capacity could help boost domestic self-sufficiency in dairy products and could also open up export opportunities for value-added products.

Adequate processing capacity is vital to provide the region's dairy farmers with market access and 'a home for their milk'; consolidation in the processing sector has left many geographically isolated from the main markets.

Arable Crop Processing

Arable crops include cereals, oilseeds and other combinable crops grown in fields and harvested by a combine harvester; they are grown for human consumption and for animal feed. Besides cereals and oilseeds, they include pulses - field peas, beans and lupins, for example, with most used for inclusion in animal feed.

Almost half (42%) of the UK cereal crop is fed to animals such as pigs, chickens and cows, helping to put bacon, sausages, eggs and milk on the country's breakfast tables*². The UK is the third largest producer of cereal grains in Europe and, in recent years, the bulk of UK cereal exports have gone to Europe.

Wheat is the largest arable crop (by area). High quality wheats are used for milling, producing flour for bread, biscuits and pastry. UK millers use 80-85% homegrown wheat, all of which is farm-assured (with independently-checked production standards). Lower quality wheats go into animal feed. Barley is grown both for animal feed and for malting, for use in brewing. A small proportion is also used in distilleries. Niche markets exist for oats and other speciality grains.

There is only one harvest each year and once a cereal has been harvested it usually requires drying before being stored in cool and dry conditions in a clean store. This ensures it avoids being damaged by insect pests and fungi. Grain is stored either on farm or at central stores, in segregated areas. These stores are independently audited to minimise risks throughout the supply chain and safeguard food safety for consumers and end users. In the case of wheat, millers store relatively small quantities and rely on a constant supply delivered to mills from central stores.

The grain trade has close links to the region's deepwater ports, given the demand for exports of quality crops. Europe's biggest oilseed processing company is based in the South East. Its plant in Kent crushes oilseed rape and refines the oil for use in food ingredients and biofuels throughout Europe.

Arable farmers, merchants and processors must constantly update or create new infrastructure to remain competitive and comply with the latest legislation.

Vineyards and Wineries

Planners should recognise the positive role of the burgeoning wine sector in terms of employment, economic development and tourism, now and in the future. Vineyards may develop a variety of facilities, from processing and bottling plants, to wine stores, on site shops, viewing platforms, eateries, accommodation for workers and/or for tourists and car parks. Many vineyards are developing longer term plans based on the sector's projected growth between now and 2040.

Woodland and Forestry Infrastructure

Poor access can affect the management of woodlands and their financial viability. Woodlands that are easily accessible by road can be managed more easily as timber and other forest products can be harvested and moved off site for further processing and eventual sale. Good access and infrastructure enhances their productivity. Improvements might include the construction of forestry tracks for mechanised timber extraction to a transfer point, along with new haulage road entrances, laybys, turning areas, hardstanding for timber transfer points and stacking areas, road and track-side drainage, or secure woodland fencing and gates.

Without these necessary developments, the competitiveness of the region's agricultural and horticultural sectors will be adversely impacted.



SUMMARY OF PRIORITY ACTIONS

1. Invest to Grow

- Stimulate R&D investment in farm and food chain innovation
- Continue to provide rural development grants, tax incentives and advisory services for new technologies, physical infrastructure, new enterprises and new partnerships throughout the agricultural transition period (2021-28).
- Incentivise and incubate agri-tech partnerships to improve productivity and sustainability, whilst creating products and services with global export potential.
- Make provision for new training opportunities in the food and farming sector to make full use of new technologies and services.

2. Industry Collaboration for New Food and Drink Opportunities

- Support industry collaboration by incentivising the creation of Producer Organisations and other similar bodies.
- Make further provision for new training opportunities to provide the necessary business management skills to secure a market share for new agricultural products and services.

3. Spatial and Economic Planning

- Local Industrial Strategies, Strategic Economic Plans and Local Plans must recognise the strong potential for growth in the farming and food production sectors and support a clear growth agenda for the industry.
- Agriculture and horticulture businesses require modern infrastructure, regularly updated, in order to continue operating efficiently and sustainably while competing internationally. Planning departments should recognise this need to invest in modern state-of-the-art, often large buildings and facilities. Without these developments, businesses will be adversely impacted and become uncompetitive.

Fertile Ground - An Agenda for Growth in the Regional Agri-Food Sector is based on:

South East Agricultural Sector Statistics, Strategic Priorities & the Case for Investment, a report for NFU South East by Collison & Associates Ltd www.collisonassociates.co.uk published in July 2020 and developed in consultation with NFU South East farmer and grower members and NFU South East staff.

1. Figure for percentage of land in the South East farmed - Defra/ONS - Defra Statistics: Agricultural Facts England Regional Profiles February 2020 & ONS (local.gov.uk)
2. Arable crop processing - source: HGCA (AHDB) and Flour Advisory Bureau.

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