

## **NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP – 3 JUNE 2015**

### **LAND-BASED STUDY FOR NORTH EAST SCOTLAND**

#### **1 Recommendation**

##### **1.1 It is recommended that the Group notes and approves this report.**

#### **2 Discussion**

- 2.1 The contract has been awarded for the new study of the land-based sector in North East Scotland. The previous report - 'Agriculture in Aberdeenshire – looking to the future' provided a detailed analysis of farming and related industry trends in Aberdeenshire from 2003 to 2007. The new study will cover Aberdeenshire, Moray and Angus following funding commitment from the respective councils – and will also look at forestry and farm woodlands in more depth thanks to financial support from Forestry Commission Scotland. Scottish Enterprise will contribute, and it is expected that Highlands and Islands Enterprise Moray will also be involved.
- 2.2 While proposals for a new study were previously supported by NESAAG members in 2013, preparations were put on hold due to the extended delay in the implementation of the new Common Agricultural Policy. A key part of the study will be to assess the implications of subsidy change and to examine how the sector can become more efficient, market-orientated and embrace change. The work will also consider business diversification – into renewables, agri-tourism and direct food marketing – and address the need to update statistics on the scale and output of the sector.
- 2.3 An Invitation to Quote was sent on 20 March 2015 to seven registered prospective contractors via the Public Contracts Scotland website. Tenderers were required to set out their methodology; their knowledge and understanding of the sector and their price, including the marginal costs of extending the geographic scope of the study to Angus and Moray, so that partners could decide whether to participate in the project. Two bids were received – one from SAC Consulting and one from a consortium led by Two Mennie Cooks Ltd. Both parties were interviewed by a NESAAG subgroup (mainly representatives from project funders) on 20 May and the Two Mennie Cooks Ltd bid was accepted. The consortium partners include SAOS, the James Hutton Institute and the Rural Development Company. The interview panel mainly comprised representatives from project funders.
- 2.4 Outputs from the study will include a detailed current assessment of the wider land-based industry - its strengths, weaknesses, opportunities and threats; the medium term future (5 years); the longer term future and a list of recommendations for industry and for support agencies and local authorities. The study will be presented to NESAAG members at its next scheduled meeting on 18 November 2015.

2.5 The Head of Finance and the Monitoring Officer within Corporate Services have been consulted and are in agreement with the terms of the report.

### **3. Equalities, Staffing and Financial Implications**

3.1 There are no direct equalities or staffing implications arising from this report. The land-based sector is a key part of the local economy and it is anticipated that the study will enhance the sector's ability to identify and address future challenges and opportunities.

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