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NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP

WEDNESDAY, 15 SEPTEMBER 2021, at 10:00 A.M.

Your attendance is requested at a meeting of the **NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP** which will be held virtually via **TEAMS**, on **WEDNESDAY, 15 SEPTEMBER 2021, at 10:00AM.**

7 September 2021

Director of Business Services
Aberdeenshire Council
on behalf of North East
Scotland Agriculture Advisory Group

To: Aberdeenshire Council:
Councillors: W Howatson (Chair), S Duncan, J Hutchison, J Ingram, D Robertson,
I Taylor and J Whyte.

Aberdeen City Council:
Councillors: B Crockett, N MacGregor and A MacKenzie.

Moray Council:
Councillors: D Bremner and T Eagle.

Angus Council:
Councillors: K Braes, C Brown, A Macmillan Douglas and B Myles.

Contact Person:-

**Nicole Chidester
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B U S I N E S S

1. Welcome and introductions
2. Equalities
3. Minutes of meeting 28 April 2021 **(Pages 4-8)**
4. Matters arising
5. Presentation: Agritourism and rural development by Caroline Millar, Facilitator, Scottish Agritourism Monitor Farm
6. Presentation: Emerging themes of land management policy by Stephen Young, Head of Policy, Scottish Land & Estates
7. Presentation: Trees and timber: opportunity in a time of change by Stuart Goodall, Chief Executive, Confor
8. Report: North East Scotland Regional Land Use Partnership Pilot by Sheena Lamont, Senior Planner, Aberdeenshire Council **(Pages 9-16)**
9. Report: Scottish Government consultation: Agricultural Transition **(Pages 17-23)**
10. Bulletin: National Food Strategy: Part Two **(Pages 24-27)**
11. AOB
12. Date of next meeting
 - 10.00 on Wednesday 24 Nov (Rural Forum)

PUBLIC SECTOR EQUALITY DUTY – GUIDANCE FOR MEMBERS

What is the duty?

In making decisions on the attached reports, Members are reminded of their legal duty under section 149 of the Equality Act 2010 to have due regard to the need to:-

- (i) eliminate discrimination, harassment and victimisation;
- (ii) advance equality of opportunity between those who share a protected characteristic and persons who do not share it; and
- (iii) foster good relations between those who share a protected characteristic and persons who do not share it.

The “protected characteristics” under the legislation are: age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; and (in relation to point (i) above only) marriage and civil partnership.

How can Members discharge the duty?

To ‘have due regard’ means that in making decisions, Members must consciously consider the need to do the three things set out above. This requires a conscious approach and state of mind. The duty must influence the final decision.

However, it is not a duty to achieve a particular result (e.g. to eliminate unlawful racial discrimination or to promote good relations between persons of different racial groups). It is a duty to have due regard to the need to achieve these goals.

How much regard is ‘due’ will depend upon the circumstances and in particular on the relevance of the needs to the decision in question. The greater the relevance and potential impact that a decision may have on people with protected characteristics, the higher the regard required by the duty.

What does this mean for Committee/Full Council decisions?

Members are directed to the section in reports headed ‘Council Priorities, Implications and Risk’. This will indicate whether or not an Integrated Impact Assessment (IIA) has been carried out as part of the development of the proposals and, if so, what the outcome of that assessment is.

An IIA will be appended to a report where it is likely, amongst other things, that the action recommended in the report could have a differential impact (either positive or negative) upon people from different protected groups. The report author will have assessed whether or not an IIA is required. If one is not required, the report author will explain why that is.

Where an IIA is provided, Members should consider its contents and take those into account when reaching their decision. Members should also be satisfied that the assessment is sufficiently robust and that they have enough of an understanding of the issues to be able to discharge their legal duty satisfactorily.

For more detailed guidance please refer to the following link:-

http://www.equalityhumanrights.com/uploaded_files/EqualityAct/psed_technical_guidance_scotland.doc

NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP

VIRTUAL SKYPE MEETING

WEDNESDAY, 28 APRIL, 2021

Present: **Aberdeenshire Council** – Provost W Howatson (Chair),
Councillors S Duncan, J Hutchison, D Robertson, I Taylor and J Whyte
Aberdeen City Council – Councillor N MacGregor
Agriculture and Horticulture Development Board - P Hughes
Agriculture and Rural Economy Directorate – S Lorimer
Angus Council - Councillors K Braes and B Myles
JHI – Prof D Roberts and Prof K Thomson
LANTRA Scotland – A Baker
Moray Council – Councillor D Bremner
NFU Scotland – C Adam, A Connon, K Gilbert, R Hay, L Paterson and A Simpson
Opportunity North East – N Freckingham
Scottish Agricultural Organisation Society – J Booth
Scottish Association of Meat Wholesalers – M Morgan
Scottish Forestry – J Nott
Scottish Land and Estates – F Van Aardt and D Fyffe
Visit Scotland - J Robinson

Apologies: **Aberdeen City Council** – Cllr Mackenzie
Aberdeenshire Council – Cllr J Ingram
Agriculture and Rural Economy Directorate – J Stuart
(substituted by S Lorimer)
Bank of Scotland – P Reid
Quality Meat Scotland - T Gibson
RSPB - H Maggs
LANTRA Scotland – S Howden (A Baker substituting)
Scottish Enterprise – G Ford

Officers: **Aberdeenshire Council** – P Macari, Head of Planning & Economic Development, J Davidson, Environment Planner, J Harrold, Assistant Committee Officer and D McDonald, Industry Support Executive Economic Development

1. WELCOME, INTRODUCTIONS AND DECLARATIONS OF INTEREST

The Chair welcomed everyone present to the meeting. Members were asked if they had interests to declare. No declarations of interest were intimated.

2. PUBLIC SECTOR EQUALITY DUTY

In taking decisions on the undernoted items of business, the Partnership **agreed**, in terms of Section 149 of the Equality Act 2010:-

(1) to have due regard to the need to:-

- (a) eliminate discrimination, harassment and victimisation;
 - (b) advance equality and opportunity between those who share a protected characteristic and persons who do not share it, and
 - (c) foster good relations between those who share a protected characteristic and persons who do not share it; and
- (2) to consider, where an equality impact assessment had been provided, its contents and to take those into consideration when reaching a decision.

3. MINUTE OF MEETING OF 25 NOVEMBER, 2020

The Minute of Meeting of 25 November, 2020 was **approved** as a correct record.

4. MATTERS ARISING

There were five matters arising. Firstly, the Group visit to Glensaugh Farm will be arranged when Covid-19 restrictions permit. Secondly, contact is still being sought with the UK Food National Strategy Team. Thirdly, the Internal Market Bill will be discussed in Item 10 of this meeting. Fourthly, the update on seed potato exports is covered under Item 6 of this meeting. Finally, the presentations from the last meeting of the Group have been shared and posted on the NESAG webpage as requested.

5. PRESENTATION: POST BREXIT REFLECTIONS FROM THE MEAT PROCESSING SECTOR BY MARTIN MORGAN, EXECUTIVE MANAGER, SCOTTISH ASSOCIATION OF MEAT WHOLESALERS (SAMW)

The Chair introduced Martin Morgan (Executive Manager, Scottish Association of Meat Wholesalers) to the meeting. Mr Morgan explained that Scottish meat exports were estimated to have fallen sharply in the first quarter of 2021, down 25% in January 2021 and significantly below the normal trade flow to Europe. As a result of the UK leaving the single market, EU trade has been much more challenging, and it was suggested the fall in trade will be irreversible unless protocols change. However, despite reduced exports, beef and lamb prices are currently at record high levels, which has been attributed to 'shop local' campaigns. In advance of the UK leaving the single market, international customers had been stockpiling in November and December 2020, which also contributed to a reduced export trade in January 2021. Volumes partially recovered in February 2021 but have remain low. Non-EU export volumes have outperformed the five-year average but are worth only 1% of the total meat export market. Checks on EU meat imports have been pushed back until 2022 and it was suggested that the degree of scrutiny at the UK border is likely to be less than at the EU border (1% of shipments checked in UK compared to 15% at the EU Border). Members **noted** the presentation. After a question-and-answer session, the Chair thanked Mr Morgan for his detailed and highly informative presentation.

6. PRESENTATION: SEED POTATO EXPORTS: PAST, PRESENT & FUTURE BY PATRICK HUGHES, HEAD OF POTATO EXPORT TRADE, AGRICULTURE & HORTICULTURE DEVELOPMENT BOARD (AHDB)

The Chair introduced Patrick Hughes (Head of Potato Export Trade, AHDB) to the meeting. Mr Hughes explained that the UK potato industry requires 400,000 tonnes of seed per annum while a further 100,000 tonnes is grown in the UK to service the export market, which is mainly destined for non-EU locations. Most UK seed is grown in Scotland. Around 30,000 tonnes pa of potato seed is imported into the UK, mainly due to price or varietal choice. Scottish seed potatoes are much sought-after abroad due to their high health status. The UK's main competitors for high-quality seed potatoes are The Netherlands and France. Egypt is Scotland's biggest export market, taking 52% of all seed potato exports in 2020/2021. In December 2020, the EU gave notice that it would not grant regulatory equivalence to GB for the import or marketing of seed potatoes, which effectively ceased the export trade to the EU and Northern Ireland with effect from 1 January 2021. A DEFRA appeal was dismissed by the EU. The importation of seed from the EU to the UK will cease on 1 July 2021 unless DEFRA intervenes. More positively, there are plans to identify a technical solution to resolve the impasse and restore reciprocal trade between the UK and EU. New market opportunities are being explored as part of a sector specific growth strategy now under development which also addresses regulatory and technical challenges and a fall in the number of UK seed growers. Members **noted** the presentation. After answering questions, the Chair thanked Mr Hughes for his insightful presentation.

7. PRESENTATION: UPDATE ON SEEDPOD BY NEIL FRECKINGHAM, FOOD HUB DIRECTOR, OPPORTUNITY NORTH EAST (ONE)

The Chair introduced Neil Freckingham (Food Hub Director) to the meeting. He advised SeedPod is a £21M investment in the food and drink industry to create a centre of excellence for food manufacturing and production in NE Scotland. Led by ONE, SeedPod has secured £10M capital funding provided jointly by the UK and Scottish Governments via the Aberdeen City Region Deal (ACRD), a partnership between both governments, ONE, Aberdeenshire Council and Aberdeen City Council. ONE has itself committed funding of £4.4M to SeedPod. SRUC is a strategic delivery partner and is providing the site for the new facility (at Craibstone) which will comprise business incubator units, a new product development kitchen, display showcasing and a creative collaboration space for those within the food sector to meet, share and develop ideas. Work currently underway includes the lease agreement for the site with SRUC, planning permission and contractor selection. Members **noted** the presentation and following a question-and-answer session, the Chair thanked Mr Freckingham for his inspirational contribution to the meeting and asked if he would be willing to update members at a future meeting

Action Point 1: SeedPod progress update at a future meeting

8. REPORT: NESAAG PARTNERSHIP REVIEW

The NESAAG Partnership Review Report had been circulated to members, in which it was explained that partnerships involving Aberdeenshire Council must undertake periodic reviews to ensure they continue to fulfil their purpose, as stated in their

Terms of Reference. Since the establishment of NESAAAG over 20 years ago, the group had broadened geographically (to include Angus Council) and also sectorally: the number of organisations joining the group continues to grow (VisitScotland, Lantra and the Bank of Scotland most recently). The review presented an opportunity for members to propose changes to the remit and membership of the Group. Following an open discussion in which members expressed their general satisfaction with NESAAAG's current remit and how it operates, it was suggested that extending the membership to include young people/young farmers along with strengthened food and drink industry representation would be beneficial (specifically the Food and Drink Federation), following which members **approved** the report and the Chair thanked the Group for their input.

Action Point 2: Scottish Association of Young Farmers Clubs to be approached as potential members

Action Point 3: Food and Drink Federation to be approached as potential members

9. REPORT: RURAL FORUM PROPOSAL

A report had been circulated to members which referred to the NESAAAG study published in 2008, which recommended that Rural Forum events should be held once every two years to enable members and guest speakers to provide brief presentations across a wide range of land-based sectors (typically ten presentations of fifteen-minute duration). While such events have been held regularly since 2010, the Rural Forum provisionally scheduled for 2020 did not go ahead due to the pandemic. The report asked members for their views on when the next event should go ahead and their preferred format (virtual – or wait until a face-to-face meeting may be possible). Following discussion, the general consensus was for the Rural Forum to go ahead at the November meeting of the Group, and for it be held virtually (by Teams).

Action Point 4: Rural Forum to be organised for November meeting of NESAAAG

10. BULLETIN: UK INTERNAL MARKET ACT 2020

A bulletin relating to the UK Internal Market Act 2020 had been circulated to members, in response to the request at the November 2020 meeting for an update after the Brexit process had been completed. The Act became law on 17 December 2020 and embeds two key market access principles: namely mutual recognition and non-discrimination across the UK. The Act also provides for the creation of the Office for the Internal Market (OIM). While Devolved Administrations in the UK will still be able to regulate goods and services in their own area under the Act, their standards may not be enforceable to manufacturers and service providers elsewhere in the UK.

The Act also empowers UK Government to create a UK-wide State Aid scheme and to disburse directly structural funds across the UK (EU funds were generally distributed by Devolved Administrations). Members **noted** the bulletin.

11. A.O.C.B.

The Chair noted that Professor Ken Thomson had intimated that he would be stepping down from NESAAAG. As a founder-member, Prof Thomson's contribution to the group had been exceptional, in particular to the various studies published by NESAAAG over the previous 20 years. Prof Thomson rarely missed group meetings and was a highly respected contributor to debate and discussion. On behalf of the group, the Chair thanked Prof Thomson for his exemplary contribution to NESAAAG and wished him well for the future.

12. DATE OF NEXT MEETING

The next meeting of NESAAAG is due to take place at 10am on Wednesday 15 September 2021. This meeting will be held virtually, unless otherwise stated.

Action Points

- 1: SeedPod progress update at a future meeting**
- 2: Scottish Association of Young Farmers Clubs to be approached as potential members**
- 3: Food and Drink Federation to be approached as potential members**
- 4: Rural Forum to be organised for November meeting of NESAAAG**



NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP – 15 SEPTEMBER 2021

NORTH EAST SCOTLAND REGIONAL LAND USE PARTNERSHIP PILOT

1 Reason for Report / Summary

- 1.1 To inform and engage with the Group members and seek their views on the NE Scotland Regional Land Use Partnership Pilot as the project moves forward to establishing a Regional Land Use Partnership.

2 Recommendations

The asked to:

- 2.1 The Group is asked to consider the pilot project and offer views on the type of Board proposed.**

3 Purpose and Decision-Making Route

- 3.1 In early February 2021 Aberdeenshire Council was advised by the Scottish Government Cabinet Secretary that its Expression of Interest to participate as a Regional Land Use Partnership (RLUP) pilot region, submitted on behalf of Aberdeen City and Aberdeenshire Councils, had been successful. The submission followed an invitation from the Scottish Government in mid-January 2021 to all future Regional Spatial Strategy Groupings in Scotland.
- 3.2 The enabling of Regional Land Use Partnerships had been a commitment in the Programme for Government in 2019/20, and this was reaffirmed in the 2020/2021 programme. The Scottish Land Commission (SLC) published recommendations for Regional Land Use Partnership implementation on 3 November 2020. One recommendation from the Commission was that in order to support synergies between the Indicative Regional Spatial Strategies (iRSS) and Regional Land Use Partnership objectives that this geographic scale should be adopted. The Scottish Land Commission Report is available to view at [Advice To Scottish Government on the Establishment of Regional Land Use Partnerships](#).
- 3.3 The Scottish Government is proposing to work with the pilot regions to test approaches to partnership governance that will best reflect local situations and priorities. This work will help inform future decisions on wider establishment of Partnerships across Scotland. It is hoped that once established, Regional Partnerships will help national and local government, communities, landowners and stakeholders work together to find ways that optimise land use in a fair and inclusive way while meeting local and national objectives and supporting the journey to net zero.

4 Discussion

- 4.1 Scotland's Land Use Strategy is a strategic document that sets out the Scottish Government vision for sustainable land use in Scotland and was first published in 2011. The Climate Change (Scotland) Act 2009 places a requirement on Scottish Ministers to produce a Land Use Strategy every five years. The aim of the most recent and third National Land Use Strategy "Land use - getting the best from our land: strategy 2021 to 2026" is to make land use more understandable and accessible to everyone and promotes an overarching more holistic approach on how sustainable land use in Scotland might look like.
- 4.2 The third National Land Use Strategy also identifies a number of platforms already available to take forward deeper conversations regarding sustainable land use. They highlight two in particular: the ongoing development of the new National Planning Framework; and the Regional Land Use Partnership pilots. The third National Land Use Strategy was published on 24 March 2021.
- 4.3 The initial aim of this Regional Land Use Pilot is to establish a Regional Land Use Partnership Board or other representative body by the end of March 2022. Once the governance structure is established, the pilot will then focus on developing a Regional Land Use Framework by 2023. The Framework is expected to take a natural capital / ecosystem approach to identify at a landscape level potential land use changes with positive climate and environmental impacts. The Regional Land Use Framework is expected to play a vital role in meeting the ambitious climate change targets of the Council as well as being beneficial for biodiversity.
- 4.4 There are five Regional Land Use Partnership pilot areas selected to participate in this project. In addition to the NE Region the four other pilot areas are:
- Cairngorms National Park
 - Highland Council
 - Loch Lomond and the Trossachs National Park
 - South of Scotland (Dumfries and Galloway and Scottish Borders Councils)
- 4.5 Aberdeenshire Council took part in an earlier Land Use Strategy pilot that ran from 2013-2015, which was fully funded by the Scottish Government and focused on issues relating to rural land use change. The James Hutton Institute was a key partner in this earlier pilot project. During this project an online mapping tool was developed that specifically focused on woodland creation in Aberdeenshire in relation to six possible policy priorities: woodland expansion; prime land protection; reducing flood risk; improving water quality; woodland and landscape character; woodland and public access. Members of the Board for this earlier pilot included members of NESAG and identified key stakeholders: National Farmers Union of Scotland, Scottish Land and Estates, Scottish Enterprise, the Forestry Commission (as previously called), Scottish Natural Heritage (as previously called), Confor, and Scottish Environment Link.

- 4.6 Participating in this new RLUP pilot will allow the Council to build on and update this earlier work and progress in a collaborative way with the preparation of a Regional Land Use Framework. In doing so it is hoped to address the key challenges of climate change and biodiversity across the Region. Since the previous pilot was completed there has been progress in the capability of decision support tools by both government and 'institutions', along with improved data availability that could help inform the preparation of a future Land Use Framework.
- 4.7 The programme of work, as set out by Scottish Government has three key steps which we have been asked to move forward within this financial year. This financial year is phase 1 of the RLUP Pilot project. **Step One** is to review existing / established groups and key stakeholders to identify any gaps for future engagement. **Step Two** will be to consider the best governance options for the Region in collaboration with the Scottish Government. **Step Three** will involve the appointment of Board Members in order to have them in place to prepare a Regional Land Use Framework by 2023. A parallel area of work throughout the above steps will be to identify appropriate decision-making support tools and necessary data, that will help ensure that the Board or other decision-making body is effectively supported as possible when looking to prepare the Regional Land Use Framework from April 2022.
- 4.8 A key objective of **Step One** was not only to ensure that all key stakeholders were identified for inclusion within an engagement plan but also to ensure that we make best use of established groups already operating within the Region. There are opportunities and benefits from working with established groups (or groupings, partnership bodies). A further benefit from this initial step is to limit potential duplication of work, as well as secure the benefits of a group's combined knowledge, experience and collaboration. One challenge will be to consider how best to effectively engage with the range of groups in order to timeously secure their input during the preparation of the Regional Land Use Framework.
- 4.9 All stakeholders were identified, with initially just over 60 organisations identified as relevant to the objectives of the RLUP. While Step One has been concluded, the lists do remain open should additional stakeholders be proposed. An appendix to this report lists the key stakeholders identified. Given the number of key stakeholders with whom we wish to engage as the RLUP Pilot progresses through its various stages, it is considered both beneficial and necessary to engage with established groups wherever possible and appropriate. Analysis of key groups included consideration to, where these were available, their terms of reference or stated remit, as well as the frequency and timing of their meetings. All key stakeholders were mapped against their membership of selected key regional groups. It should be noted that many key stakeholders attend more than one established group.
- 4.10 The established groups identified were as follows:
- NESAG (North East Scotland Agricultural Advisory Group);

- North East Scotland Area Advisory Group - one of 11 multi-stakeholder area advisory groups across Scotland, established by SEPA with the aim of assisting delivery of river basin management planning;
- North East Scotland Biodiversity Partnership (NESBiP) - established with members drawn from local government, environmental organisations, wildlife charities and hosted by the James Hutton Institute;
- Community Planning Partnerships - these partnerships are responsible for delivering positive changes for the communities of Aberdeenshire and Aberdeen;
- Climate Ready Aberdeenshire / Aberdeen Adapts - governed by a steering group consisting of senior representatives from organisations throughout the North East of Scotland.

- 4.11 Further consideration of all the established groups showed that NESAAAG had the highest number of relevant interests represented, compared to other established groups. In addition, the advisory group's operational 'terms of reference' meant that early engagement with NESAAAG was considered important to help inform RLUP work at Step Two of the project.
- 4.12 In **Step Two** we have been asked to consider potential Governance Structures. There are a limited number of options for the potential composition of a future Board. These options are an 'expert' group type of board, a fully political board made up of political representatives, or a mixed membership type of board. While expert opinion will be essential to the preparation of a RLUF, given the complexity of many of the issues anticipated, the need to prioritise identified changes requires democratic representation. Some identified 'experts' will be representatives from stakeholder organisations, as well as representing people whose land is identified and who have a detailed knowledge of challenges and opportunities present. A future Board will need to be able plan for strategic land use change and do so in a way that helps prioritise action, facilitates the delivery of actions on the ground, and help identify necessary means of support. The Board is therefore expected to require a mixed membership model. RLUP Partnerships are expected to be inclusive, collaborative but also democratic and this requirement is most likely to be achieved through a mixed membership model. NESAAAG Members are asked for their views on the type of Board that is considered appropriate.
- 4.13 A future Board will need to effectively and regularly engage with the established regional stakeholder groups when preparing the Regional Land Use Framework. These groups can help in agreeing priorities, assist with project design and delivery of local projects. As set out in the Scottish Government's National Land Use Strategy (4.2 above), Regional Land Use Pilots are seen as being able to take forward deeper conversations regarding sustainable land use. With the establishment of an RLUP for north east Scotland it is hoped that this greater discussion can take place and opportunities be identified that both reflect the diversity and challenges for the region.
- 4.14 Step 3 has the focus on appointment of the RLUP Board members and making arrangements for support groups and functions. We have programmed actions relating to step 3 for early months of 2022. We have sought reassurance from

Scottish Government regarding the commitment to future funding necessary to support a future Board carrying out its duties. We have been advised that funding would be confirmed through the normal Scottish Government budgetary processes and therefore financial commitments will only be confirmed around the end of this year or the beginning of 2022. To address this potential identified risk, we intend to progress the appointment of a Board in the early months of 2022, when hopefully confirmation of available budget will have been received.

- 4.15 It is worth noting that the recently published “Draft Shared Policy Programme” of the Scottish Government included a further statement of commitment to the current Regional Land Use Partnership Pilots, summarising the Government’s expectation that the pilots should test and develop ways to:
- take a democratic, inclusive and local approach to governance and decision making;
 - adopt a natural capital approach to land use change;
 - produce Regional Land Use Frameworks which can meet national as well as regional priorities;
 - maximise their influence in engaging regional stakeholders.

This “Draft Shared Policy Programme” is accessible via [Scottish Government and Scottish Green Party: draft shared policy programme - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/draft-shared-policy-programme/pages/11.aspx).

- 4.16 A report on the RLUP Pilot was taken to Aberdeenshire Council Sustainability Committee on 25 August 2021, and the Committee asked that a further report with recommendations on a proposed governance structure be brought to next Sustainability Committee on 11 November 2021. A further report will be prepared for the next meeting of NESAG on the recommendations prepared as a result of the further work undertaken in Step Two of the RLUP Pilot Project. This further report will also allow NESAG to give their view on the adoption of a natural capital approach to land use change.

5 Council Priorities, Implications and Risk

- 5.1 This report helps deliver the Strategic Priority “Resilient Communities” within the Pillar “Our Environment”, and supporting this priority are key principles relating to climate and sustainability.
- 5.2 The table below shows whether risks and implications apply if the recommendation(s) is (are) agreed.

Subject	Yes	No	N/A
Financial			X
Staffing			X
Equalities and Fairer Duty Scotland			X
Children and Young People’s			X

Rights and Wellbeing			
Health and Wellbeing			X
Town Centre First			X

5.4 There are no equality impact implications arising from this report

6 Scheme of Governance

6.1 NESAG is able to consider this item in terms of its remit to provide a NE Scotland focus to enable issues and concerns across the agricultural and related sectors to be addressed. This includes strengthening economic development links across the wider land-based sector and food industry, contributing to regional and local priorities, improving links between industry, the environment and biodiversity and contributing to policy development and consultations.

Alan Wood
Director, Infrastructure Services

Report prepared by Sheena Lamont and Senior Planner, Aberdeenshire Council
Date: 2 September 2021

APPENDIX 1

Sector	Stakeholder groups and organisations
	Groups
Agriculture/Forestry/Rural	North East Scotland Agricultural Advisory Group
Catchment management	North East Scotland Area Advisory Group
Community	Aberdeenshire Community Planning Partnership
Biodiversity	North East Scotland Biodiversity Partnership (NESBiP)
Cross Sector Environmental	Climate Ready Aberdeenshire
	Organisations
Local Authority	Aberdeenshire Council
Local Authority	Moray Council
Local Authority	Aberdeen City Council
Local Authority	Angus Council
Local Authority	Cairngorms National Park Authority
Business	Aberdeen Chamber of Commerce
River Catchments	Dee Catchment Partnership
Coastal	Moray Firth Coastal Partnership
Energy Industry	Oil and Gas UK
Water Industry	Scottish Water
Coastal	East Grampian Coastal Partnership
River Trusts	Deveron, Bogie and Isla Rivers Trust
River Trusts	Don District Salmon Fishery Board & River Don Trust
River Board	River Ythan District Salmon Fishery Board
River Fishing Interest	River Ugie Angling Association
River Trusts	River North Esk
Regional Transport Partnership	Nestrans
Public sector - national	Scottish Environment Protection Agency
Public sector - national	Nature Scot
Public sector - national	Historic Scotland
Public sector - national	Scottish Government Rural Payments & Inspections
Public sector - national	Forestry and Land Scotland
Economic	Scottish Enterprise
Agriculture	National Farmers Union, Scotland
Land management reps	Scottish Land and Estates
Agriculture	Scottish Agricultural Organisation Society (SAOS)
Forestry	Confor
NGO's	Scottish Environment Link
NGO's	Royal Society for the Protection of Birds
NGO's	Scottish Wildlife Trust
Food Sector	Food Standards Scotland
Farming and Wildlife	GFWAG
Research/academic	James Hutton Institute
Research/academic	Scottish Agricultural College (SRUC)

Research/academic	University of Aberdeen
Research/academic	RGU
Tourism	Visit Aberdeenshire
Tourism	VisitScotland
Public Sector	Scottish Fire and Rescue Service
Public/Health Sector	NHS Grampian
Voluntary	Aberdeenshire Voluntary Action
Voluntary	Aberdeenshire Youth Council
Public Sector	Police Scotland
Community	Aberdeenshire Rural Partnerships
Public/Health Sector	Aberdeenshire Health and Social Care Partnership
Energy / infrastructure	Scottish & Southern Energy
Professional Body	RICS

Others

Transport Infrastructure	Network Rail (Scotland)
NGO's	WWF
NGO's	Woodland Trust
NGO's	John Muir Trust
NGO's	National Trust for Scotland
Biodiversity	Scottish B-Lines Buglife Scotland
Land Management	Scottish Moorland Group (Grampian Group)
Access associations	Ramblers Scotland
Access associations	British Cycling
Access associations	British Horse Society Scotland
Food Sector	Scottish Food and Drink
Economic	Opportunity North East Food and Drink
Various	The RSA (Royal Society for Arts)
Professional Body	Royal Town Planning Institute



NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP REPORT – 15 SEPTEMBER 2021

SCOTTISH GOVERNMENT AGRICULTURAL TRANSITION CONSULTATION

1 Recommendation

- 1.1 It is recommended that the Group notes this report and considers the draft consultation response attached as Appendix 1**

2 Discussion

- 2.1 On 25 August 2021, the Scottish Government published a consultation on its plans for an agricultural policy to replace CAP. Following on from the Simplicity and Stability consultation in 2018, the new consultation – Agricultural Transition in Scotland: first steps towards our national policy - is available at the link below and closes on 17 November 2021.
[Agricultural transition in Scotland - Scottish Government - Citizen Space \(consult.gov.scot\)](https://consult.gov.scot)
- 2.2 The consultation document focuses heavily on the ‘twin global emergencies of climate change and biodiversity’, commits to the sector’s future economic sustainability and to change arising from new policy being applied fairly and equitably. The new proposals have been informed by ‘Farmer-led groups (FLGs) which were set up in 2020 to represent the interests of key agricultural sectors in discussions with government to devise policy recommendations.
[https://www.gov.scot/policies/agriculture- and-the-environment/farmer-led-climate-change-groups/](https://www.gov.scot/policies/agriculture-and-the-environment/farmer-led-climate-change-groups/)
- 2.3 The reduction of Scottish agricultural Green House Gas (GHG) emissions is the core challenge presented within the consultation - the sector is required to reduce its current emissions by 31% by 2032. The role of capital funding in incentivising investment in both business efficiency and emissions reduction is considered in detail. The other main theme is biodiversity, which the FLG’s would like to see recognised as a tangible output. Various proposals have emerged from the FLGs – eg Integrated Farm Management (IFM) from the arable group, which bears a strong resemblance to LEAF (Linking Environment and Farming) which has been in existence since 2015.
- 2.4 Scottish Government shared with FLGs the estimated impact of various mitigation measures. The consultation document notes ‘the understanding of emissions savings that individual measures can achieve continues to evolve as new scientific evidence becomes available’ – but goes on to say that the Scottish Government’s scientific analysis found quantifiable measures could only deliver 40% of the necessary reductions ‘if applied to their maximum technical potential by all relevant farmers’. It was noted existing and emerging technology could also help deliver the required levels of mitigation – but the scale of the challenge is made abundantly clear by the scientific analysis.
[Marginal abatement cost curve for Scottish agriculture \(climatexchange.org.uk\)](https://www.climatexchange.org.uk)

- 2.5 While the consultation document refers positively to greening measures, the recent analysis by the European Court of Auditors into CAP 2014-2020 and The Climate concludes that greening benefits have been ‘marginal’ and that other CAP mechanisms intended to benefit the climate have failed to deliver (‘little impact on emissions, which have not changed significantly since 2010’). The Court also stated that there has been insufficient support for more effective measures (‘CAP did not increase support for afforestation, agroforestry and conversion of arable land to permanent grassland in 2014-2020 compared to 2007-2013’). Scotland needs to do much better than CAP 2014-2020. <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=58913>
- 2.6 Although there appears to be a general reluctance within the FLGs for substantial change in how Scotland’s land assets are used, there is support for new woodlands, agro-forestry and hedgerows to help sequester carbon (though hedges are a more obvious biodiversity benefit), such that agricultural productivity and food production can be maintained to avoid ‘off-shoring’ (echoing the recently published UK Food Strategy). The Hill, Upland and Crofting FLG embraces the major part it can play in delivering biodiversity benefits, additional woodland cover and enhancing soil carbon. There is unanimous support for re-wetting and restoring Scotland’s peatlands to safeguard and augment existing soil carbon stores held within them – seen rightly as a significant ‘quick win’.
- 2.7 The consultation then moves on to the role of technology, to the overall food supply chain and to training and skills, to which industry support for recruitment and mentoring could and should be added. Promoting the land-based sector to new entrants and fostering their interest and development within the wider food and drink sector should be categorised as a public benefit and incentivised accordingly. Given the scale of change on the horizon, investment in education, skills and training will be critical. A new quality standard trademark is suggested by the Suckler Beef Climate Group ‘to reassure consumers that Scottish beef is produced sustainably’. Little insight is offered on the costs of creating and managing a new standard and how it might interface with the QMS-administered Scotch Beef PGI brand. And while the consultation invites respondents to consider what further research might usefully be undertaken to help the sector meet its climate change and biodiversity targets, the real challenge lies in encouraging more widespread uptake of existing knowledge and technology. The livestock sector does however face particular carbon reduction challenges and further work on pasture sequestration within grazing systems, reduced emission feed inputs and selective breeding will be welcomed by industry.
- 2.8 A central theme throughout the consultation is that future change must be fair and equitable. This will be extremely challenging to achieve and is likely to require legislative change, eg to ensure tenant farmers are not disadvantaged by being excluded from some schemes on the grounds of good husbandry. A draft response is attached for members’ consideration as **Appendix 1**. The consultation closes on 17 November, following which the newly created Agriculture Reform Implementation Oversight Board (ARIOB) will assist Scottish Government in shaping a new agricultural policy with expert input from an Academic Advisory panel. Detailed proposals for a future agriculture bill are expected in 2022.

3 Scheme of Governance

- 3.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.
- 3.2 NESAAAG is able to consider this item in terms of its remit to provide a NE Scotland focus to enable issues and concerns across the agricultural and related sectors to be addressed. This includes strengthening economic development links across the wider land-based sector and food industry, contributing to regional and local priorities, improving links between industry, the environment and biodiversity and contributing to policy development and consultations.

4 Council Priorities, Implications and Risk

- 4.1 The following Council priorities are relevant to this report
- Support a strong, sustainable, diverse and successful economy
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- 4.2 The table below indicates whether risks and implications apply if the recommendations are agreed

Subject	Yes	No	N/A
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Town Centre First			X
Sustainability			X
Children and Young People's Rights and Wellbeing			X

Alan Wood
Director, Infrastructure Services

Report prepared by Derek McDonald, Industry Support Executive (Rural & Maritime)
6 September 2021

Appendix 1: Agricultural Transition in Scotland – Draft consultation response

1. Should agricultural businesses receiving support be required to undertake a level of baseline data collection?

Yes. Without baseline data it will not be possible to measure progress towards stated objectives. This appears to be supported by the Farmer-led Groups on the basis that the starting position needs to be understood.

2. Should collected data be submitted for national collation?

Yes. How otherwise will national performance be measured? Scotland's position is likely to be distinctive and possibly unique. It would be a mistake for the performance of the Scottish agricultural sector to be judged using global methodologies.

3. If yes, what information should be collated nationally?

Essential info underpinning proportionately accurate metrics relating to carbon audits and biodiversity scoring/monitoring – the minimum required to accurately measure and fairly reflect business performance across the stated objectives

4. What are the next steps that can be taken to commit businesses to continuous improvement utilising the information presented by carbon, soil, biodiversity auditing?

Clear communication will be required in the first instance, both by government and by industry bodies, to convince businesses of the need to 'buy in' to the new objectives. The risks posed by non-adoption will also need to be set out clearly.

5. How can baselining activities be incorporated into common business practices across all farm types?

Clarification required on what the question means.

6. Should capital funding be limited to only providing support for capital items that have a clear link to reducing greenhouse gas emissions? If not, why not?

Only in very exceptional circumstances should capital funding not be directly linked to emissions reductions (eg meat processing sector investments for key parts of the supply chain in remote rural locations – but even here emissions benefits should be demonstrable). Some useful pointers should have been learned from the Sustainable Agriculture Capital Grant Scheme (SACGS) pilot.

Capital funding should be available for biodiversity projects.

7. What role should match funding have in any capital funding?

Match funding (ie co-investment by applicants) should be a requirement. The public purse should not be expected to shoulder a disproportionate share of the investment burden at a time of fiscal restraint. Government loans should be an option.

8. What capital funding should be provided to the sector to assist in transformational change, particularly given that in many instances the support

called for was directly related productivity or efficiency, that should improve financial returns of the business concerned?

The capital grant intervention rate awarded to individual businesses should be tailored to reflect the proportionate consequent benefit accruing respectively to the public and to the business.

9. Should all farm and crofting businesses be incentivised to undertake actions which enhance biodiversity?

Yes. Every business should be encouraged to play its part according to what it can reasonably deliver

10. What actions would be required by the farming and crofting sectors to deliver a significant increase in biodiversity and wider-environmental benefits to address the biodiversity crisis?

The oversubscription of AECS indicates the sector's healthy appetite for environmental schemes

11. What do you see as the main opportunities for farmers and land managers in a Just Transition to a net zero economy?

Principally, for the sector be seen to play its part in meeting current climate challenges and in so doing, being supported by public funding to enhance its commercial performance – the two objectives are not mutually exclusive.

12. What do you see as the main barriers for farmers, crofters and land managers in a just transition to a net zero economy?

Cultural resistance to change will be a factor. The sector's unfamiliarity with terminology and the metrics associated with carbon and climate change will be another and will require crystal clear communication from government, industry bodies and advisory services. Biodiversity projects are however relatively familiar (and attractive) to Scottish land managers.

13. How best can land use change be encouraged on the scale required for Scottish Government to meet its climate change targets?

Bold land use change policy will be required. Fortunately, Scotland has a huge peatland resource which could provide a timely and significant boost to the country's climate change credentials with minimal adverse displacement. Early and effective intervention in restoration and re-wetting will provide a degree of headroom to allow other, longer-term measures to take effect.

14. Would incentives for farm plans specifically targeting flock/herd health, soil health, & crop health (for example) demonstrate real improvements in productivity over time?

Individualised farm plans should encourage farm enterprises to improve their performance. Incentives should therefore be available for their creation. However the BVD eradication programme suggests voluntary uptake will not be universal.

15. Should future support be dependent on demonstration of improvements in productivity levels on farm? If so how would this be measured?

Enhancements to farm productivity (eg crop output) should be reflected in higher business returns from the market. Only performance improvements linked directly to climate mitigation (many of which are), and/or biodiversity should attract future public support.

16. In light of ongoing research activities supported by the Scottish Government and the 2022-2027 research strategy, are additional measures needed to ensure research is supporting the agriculture sector to meet its climate change targets? (If yes, please specify.)

The 2022-2027 research strategy was consulted upon relatively recently, reflecting the openness of Scotland's publicly funded research programme (and the SEFARI network in general) to suggestions from industry and stakeholders. The livestock sector does however face particular carbon reduction challenges and further work on pasture sequestration within grazing systems, feed inputs and selective breeding (both for reduced emissions) will be welcomed by industry.

17. What importance do you attach to knowledge exchange, skills development and innovation in business?

Recent history suggests knowledge transfer and uptake by industry poses one of the greatest challenges for Scottish agriculture. Many of the required business performance tools already exist. Valuable lessons will be available from how the Farm Advisory Service has performed to date.

18. What form should tailored, targeted action take to help businesses succeed?

Enhanced advisory resources to enable one-to-one or one-to-few engagement with businesses would be beneficial.

19. Should continuing professional development be mandatory for businesses receiving public support funding?

Not necessarily. But it should be encouraged and incentivised.

20. How can the green credentials of Scottish produce be further developed and enhanced to provide reassurance to both businesses and consumers?

Once it can be established independently that Scottish produce meets 'green' credentials consideration should be given to re-aligning/updating existing quality standards (eg QMS) rather than creating new quality marks.

21. Should farm assurance be linked to requirements for future support?

In principle, there should be a link but further information and consideration is required

22. How can ongoing data capture and utilisation be enhanced on Scottish farms and crofts?

Accelerated investment in performance sensors and rural digital connectivity (the Internet of Things and Long-Range Wide Area Networks - LoRaWAN) should be prioritised to enable data capture – the essential first step to evidence-based decision making.



**NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP
BULLETIN – 15 SEPTEMBER 2021**

NATIONAL FOOD STRATEGY: PART TWO

1 Recommendation

1.1 It is recommended that the Group notes this report

2 Discussion

2.1 On 15 July 2021, Part Two of the National Food Strategy report was published. Commissioned in June 2019 by UK Government and led by Henry Dimbleby, Part Two: 'The Plan' is an extremely candid appraisal of the world's food system which is described as 'both as a miracle and a disaster' - the former recognising its 'extraordinary' achievement in feeding 7.8 billion people while the latter laments the catastrophic environmental damage generated by food production and the 'astronomical' costs arising from bad diet, 'in terms of human misery and actual money'. An estimated £18Bn is spent in the UK every year on healthcare for conditions related to high Body Mass Index (BMI) while BMI-related lost workforce productivity, reduced life expectancy and NHS costs total £74Bn per annum, 3.4% of GDP, and costs each person in the UK an additional £409 in taxes.

<https://www.nationalfoodstrategy.org>

2.2 The remit of the independent review was to assess the UK food system 'from field to fork' and to consider what may need to change to ensure that it:

- 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
- Is built upon a resilient and sustainable agriculture sector
- Is a thriving contributor to our urban and rural economies, delivering well paid jobs and supporting innovative producers and manufacturers
- Does all of this in an efficient and cost-effective way.

Scotland, Wales and Northern Ireland have had food strategies and action plans for some time (eg Ambition 2030 in Scotland). And while the principal focus for the review team was upon England, the findings, if adopted, seem likely to have far reaching implications for the UK as a whole (eg in international trade policy).

2.3 The Executive Summary is brief but hard hitting: 'the global food system is the single biggest contributor to biodiversity loss, deforestation, drought, freshwater pollution... the collapse of aquatic wildlife...and is the second biggest contributor to climate change'; '80% of processed food sold in the UK is unhealthy'; 'the UK is now the third-fattest country in the G7'; 'our obesity problem has been a major factor in the UK tragically high (CV-19) death rate' and '85% of total land that produces UK food is used to graze livestock or produce crops to feed to animals'. The summary alludes to what a new (post-

CAP) agricultural support system might deliver, noting 'some areas of farmland will have to be repurposed ...to actively sequester carbon...while maintaining a steady supply of affordable food', in effect 'to produce more food from the remaining land without resorting to...practices that have already done so much damage', concluding that 'farmers must be at the heart of this transition', that 'they need to make a profit' and need to be protected from unfair competition. The latter point refers to UK trade deals (post-EU): 'The Government needs a trade policy that supports its environmental ambitions. Otherwise we will end up transferring damaging practices from one part of the planet to another and driving thousands of our own farmers to the wall'.

- 2.4 The main body of the report starts by asking 'Why it matters', on a global scale, including the relative biomass of reared and wild animals (the former dwarfs the latter), just how much of the world's land is used to rear livestock and the disastrous impact upon biodiversity (eg the wild biomass of mammals has declined by 85% since the rise of human civilisation). Even at a utilitarian level, such losses deprive humanity of potential medicinal extracts. Water is also examined ('the UK has some of the most polluted waters in Europe'), fertiliser production and run-off, anti-microbial resistance and zoonotic disease (eg CV-19). Obesity trends are also analysed.
- 2.5 Section 2 is a technical analysis of the food system (system dynamics) and how it is governed in England (16 different government departments have responsibility for food policy). Section 3, a fascinating insight into the history of food production asks 'How did we get here?', moving thereafter in Section 4 to 'Escaping the junk food cycle', which is effectively the meat in the Food Strategy sandwich. Subsequent sections cover food-related inequality, the 'invisibility of nature' (undervaluation), food and climate, the meat sector, a forward look at a carbon negative food system, 'land-sparing' and 'land-sharing' philosophies, a detailed but clear and well-illustrated analysis of farming in England, including regenerative agriculture. Next in line is food waste (the UK wastes more than many EU countries, though Malta and Greece are puzzlingly bad), the price we pay for food (UK households spend only 8% of their income on food; France is 13% and Italy 14%) and what we may have to pay in future, including for protein (section 13), much from novel sources. The much-misunderstood topic of food security is then tackled. Often conflated with self-sufficiency, the report reveals 'one study identified 200 definitions of the term in academic literature'. At present the UK is 77% self-sufficient in food that can be grown in our climate and 64% self-sufficient overall (by value), which is largely unchanged since 1970.
- 2.6 Section 15 is dedicated to trade, and the risks posed to high quality food production in the UK by imports produced to lower standards. 'If we are seen to lower our standards for the Australia deal (some practices there are not permitted in the UK – see table 15.1 for a comparison of food standards with potential trade partners), it will make it much harder to hold the line with Brazil – or the next trading partner, or the next. At a time when the government is asking our own farmers to raise their environmental standards higher than ever, this would be an extraordinary failure of joined-up thinking'.
- 2.7 Section 16: The Plan sets out what is required of the food system and our diet to meet the objectives set out in 2.2. Fourteen detailed recommendations are set out, grouped under four categories, namely Escape the junk food cycle and protect the NHS, Reduce diet-related inequality, Make the best use of our land and finally Create a long-term shift in our food culture.

- 2.8 Over and above a one-off cost of £250M, the average annual cost to government is estimated at £1.4Bn. A sugar and salt reformulation tax is proposed (but not a meat tax) and would be expected by the report to raise £2.9Bn to £3.4Bn per year to support healthy diets for disadvantaged communities. Overall, the recommendations are anticipated to generate a long-term economic benefit of up to £126Bn.
- 2.9 Unusually for a government-commissioned report, the Food Strategy Part Two is a compelling read. Clear and colourful diagrams are used to good effect throughout, and the highly readable text is interspersed with comments from participants in the study team's 'deliberative dialogues'. Students of economic externalities and Pigouvian taxes will be heartened by explanatory references in the text, as will historians seeking an insight into the significance of the riot at the Nottingham Goose Fair in 1766. The report has been warmly welcomed by academics, health professionals, food writers and consumer groups. The UK Government has committed to responding formally with a White Paper within six months.

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