

**ABERDEEN CITY
COUNCIL**

**ABERDEENSHIRE
COUNCIL**

**MORAY
COUNCIL**

**ANGUS
COUNCIL**

NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP

WEDNESDAY, 24 APRIL, 2019, at 10.00 A.M.

Your attendance is requested at a meeting of the **NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP** which will be held in **COMMITTEE ROOM 5, WOODHILL HOUSE, ABERDEEN**, on **WEDNESDAY, 24 APRIL, 2019 at 10.00 A.M.**

17 April, 2019

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:-	Alison McLeod
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BUSINESS

1. Welcome, Introductions and Declarations of Interest

2. Resolution - Public Sector Equality Duty:

Consider, and if so decided, adopt the following resolution: -

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

- (a) eliminate discrimination, harassment and victimisation;
- (b) advance equality of 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.

(2) where an Equality Impact Assessment is provided, to consider its contents and take those into account when reaching a decision.

3. Minute of Meeting 5 December, 2018 (Pages 3-7)

4. Matters Arising (Page 8)

5. Presentation: Provenance and Profit by Andy McGowan, Chief Executive, Scottish Pig Producers

6. Presentation: The James Hutton Institute and its evolving role in stimulating the economy by Colin Campbell, Chief Executive, The James Hutton Institute

7. Presentation: Brexit issues in Scottish Agriculture, by Steven Thomson, Senior Agricultural Economist, SRUC

8. Presentation: Technology Enabled Farming – Co-developing a vision for Scotland and Aberdeenshire by Steve Harrison, Project Manager, Scottish Enterprise

9. Bulletin: Farm Business Income Report 2017-18 (Page 9-10)

10. AOB

11. Dates of future meetings:

- **Wednesday 25 September, 2019 Committee Room 5**
- **Wednesday 27 November, 2019 Committee Room 1**

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 ‘Equalities, Staffing and Financial Implications’. This will indicate whether or not an Equality Impact Assessment (EIA) has been carried out as part of the development of the proposals and, if so, what the outcome of that assessment is.

An EIA will be appended to a report where it is likely 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 EIA is required. If one is not required, the report author will explain why that is.

Where an EIA 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:-
<https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>

NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP**COMMITTEE ROOM 5, WOODHILL HOUSE, ABERDEEN****WEDNESDAY, 5 DECEMBER, 2018**

- Present:** **Aberdeenshire Council** – Provost W Howatson (Chair), Councillors S Duncan, J Hutchison, J Ingram, I Taylor and J Whyte
Aberdeen City Council – Councillor N MacGregor
Angus Council – Councillors K Braes and B Myles
Aberdeen & Grampian Chamber of Commerce – A Askew Blain
Farm North East – E Gillanders
Forestry Commission Scotland – J Nott
James Hutton Institute – Prof K Thomson
LANTRA – S Howden
NFUS - A Simpson and D Winton
Opportunity North East – P Cook
SAC Consulting – E Johnston
SAOS Limited – J Booth
Scottish Enterprise – G Ford
SEPA - P Wright
Scottish Land and Estates – F Van Aardt
SRUC – Professor D McCracken and Professor C Argo
Visit Scotland - J Robinson
- Apologies:** Aberdeenshire Council – Councillor D Robertson
Aberdeen City Council – Councillors B Crockett and A MacKenzie
Moray Council – Councillors D Bremner
James Hutton Institute – B Slee
Scottish Agricultural Organisation Society Ltd – B Yuill
SRUC – K Black
NFUS – L Paterson
SLE – D Fyffe
- Officers:** D McDonald, Industry Support Executive ED & PS (Aberdeenshire Council)
J Davidson, Environmental Planner P&BS (Aberdeenshire Council)
I Dawson, Assistant Committee Officer (Aberdeenshire Council)
A McLeod, Committee Officer (Aberdeenshire Council)
- In presence of:** Simon Turner (Peter Chapman MSP's office)

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 19 SEPTEMBER, 2018

The Minute of Meeting of 19 September, 2018 was circulated and **approved** as a correct record.

4. MATTERS ARISING

No items were reported.

5. PRESENTATION BY PROFESSOR DAVY MCCRACKEN, SRUC: THE INTERNET OF AGRICULTURAL THINGS (IoAT) – A POTENTIAL GAME-CHANGER FOR FARMING IN UPLAND AREAS

The Chair introduced Professor Davy McCracken – Head of the Department of Integrated Land Management and Head of Hill & Mountain Research Centre at SRUC. Prof McCracken is based at SRUC's Kirkton & Auchtertyre Research farms near Crianlarich, which are a demonstration platform for agricultural, environmental and agro-forestry research and demonstration, including for innovative digital applications. Prof McCracken described the Internet of Things (IoT) as a network of physical devices embedded with electronic sensors to enable the connection and transmission of data via the internet. A vision of what an IoT-enabled farm could look like was presented, in which crop survey drones and livestock sensors could gather information to optimise output and productivity.

Prof McCracken described some of the management challenges posed in extensive upland livestock farms in Scotland and how digital technology could assist, including the presentation of Kirkton & Auchtertyre data from animal tagging and how environmental sensors could relay useful information on snow cover and depth, soil temperature and moisture content, and river levels (for flood management). An explanation was provided on LoRaWAN (Long range, Wide Area Networks) which can offer an inexpensive long range/low power communications platform.

Following the presentation, members asked about network access options in rural areas not currently served well. It was noted that future IT applications would see change across the agricultural industry and it was essential to ensure the network rolled out was of a standard to maximise benefit and to do so cost effectively - it was a major opportunity for the North East of Scotland economy. Rural digital connectivity could benefit extensive farming enterprises, for example for livestock tags, tracking and performance management, generating cost savings and higher productivity.

The Chair thanked Professor McCracken for a very interesting presentation.

6. PRESENTATION BY STEVE HARRISON, SE: TECHNOLOGY ENABLED FARMING – CO-DEVELOPING A VISION FOR SCOTLAND AND ABERDEENSHIRE

The Chair confirmed that Mr Harrison was unable to attend the meeting, and that the item would be deferred until a future meeting.

Action point 1: Steve Harrison to be invited to present at next meeting of NESAAG

**7. PRESENTATION BY JAMES NOTT, FORESTRY COMMISSION, SCOTLAND:
FORESTRY – WHERE NEXT?**

The Chair introduced Mr James Nott, Conservator for Grampian at Forestry Commission Scotland. Mr Nott's opening remarks covered the global picture on timber supply and demand. He advised that plantation forests account for just 5% of the global forest resource but supply one third of world timber demand, with the balance harvested from natural forests, including rain forests. He explained that by 2050 the global demand for timber was predicted to rise significantly and that plantation forests were projected then to supply only 25% of demand. There was therefore a need for a sharp increase in commercial plantation forestry as a matter of urgency. Turning to forestry in Scotland, he advised that from 2020, Forestry Commission Scotland would become Scottish Forestry and would be directly accountable to the Scottish Government (previously UK Forestry Commissioners). The ambition for Scottish Forestry is to lead the sustainable growth of forestry to enhance its substantial economic, social and environmental contribution to Scotland in line with a 50 year vision, which would remain under regular review. He advised that forest and woodland cover as a percentage of land area in Scotland, was currently around 20%. The UK is the world's second largest importer of timber (after China). Just 20% of UK timber demand is supplied from UK forests.

'Roots for Further Growth' is an economic strategy to 2030 for Scotland's forest and timber technologies sector. Published in late 2018, it estimates Forestry's economic contribution (GVA) to Scotland at £1 billion per annum. Scotland's forests are also a significant carbon sink and so it was important to sustain and grow the industry further - in line with Scotland's Land Use Strategy which recognises the value of integrated land management. Mr Nott indicated that farming subsidies had been and would continue to be significant influences on how Scotland's land is used and that when reviewing their businesses, farmers should be encouraged to consider forestry options.

Mr Nott noted that to address the skills gap in the forestry industry, a number of modern apprenticeships were being made available. He reported a significant demand for places, which was welcomed.

In conclusion, on the issue of enhancing forest resilience in the face of ever-greater pest and disease threats, Mr Nott noted the UK timber industry's dependence on Sitka Spruce and endorsed a move to more diverse mixture of species, as is the norm across mainland Europe.

The Chair thanked Mr Nott for a very interesting presentation.

**8. PRESENTATION BY PROFESSOR MICHAEL KEATING, DIRECTOR OF THE CENTRE
ON CONSTITUTIONAL CHANGE: THE IMPLICATIONS OF BREXIT FOR
FARMING AND THE RURAL ECONOMY OF SCOTLAND**

The Chair confirmed that Professor Keating was unable to attend and that the item would be deferred until a future meeting.

Action point 2: Brexit speaker to be invited to present at next meeting of NESAAG

9. BULLETIN: AGRICULTURE BILL AND SPICe REPORT

There had been circulated a report dated 27 November, 2018 by the Director of Infrastructure Services advising on progress with the UK Agriculture Bill which sets out the legal framework under which the UK will resume legislative and policy control of land use and rural development in the UK following its departure from the EU. It was noted that due to the ongoing

legal dispute between the UK Government and Scottish Government on legislative powers previously devolved before Brexit there was very little detail on the implications for Scottish agriculture and a decision by the Court of Appeal was expected imminently.

The briefing stated that the Scottish Government had not accepted the UK Government's offer to extend powers in the Bill to Scotland and went on to advise that there was no mention of an Agriculture Bill in the Scottish Government's Programme for Government 2018-2019.

It was **agreed** to note the information provided in the report.

10. AOCB

OPPORTUNITY NORTH EAST UPDATE BY PETER COOK, AGRICULTURE FOOD AND DRINK DIRECTOR, ONE

- a) **Food Hub** – Mr Peter Cook provided a progress update regarding the proposed Food Hub, being developed under the Aberdeen City Region Deal, confirming that a business case had been developed and submitted to the UK and Scottish Government and was currently awaiting a decision. A purpose-built facility was proposed with 12 incubator units for small businesses. Plans also included a product development kitchen and programmes would be offered to aid business growth. Hub facilities will also include demonstration space and meeting space;
- b) **Business Growth programme** – it was reported that the third (annual) programme had been launched and would commence early 2019. Several farm related businesses were participating. Some 33 businesses had already benefitted from the programme which comprises training, support and business mentoring.
- c) **Pre-Apprenticeships** – an update was given on agricultural pre-apprenticeships. Scottish Government had provided additional funding to extend the pre-apprenticeship model across Scotland (previously delivered only in NE Scotland by Ringlink).

Mr Cook advised further updates would follow at future meetings.

11. DATE OF FUTURE MEETINGS

It was **agreed** that the schedule of meetings of the North East Scotland Agriculture Advisory Group for 2019 would be as follows:

- Wednesday 24th April, 2019 - Committee Room 5, Woodhill House, 10am
- Wednesday 25th September, 2019 - Committee Room 5, Woodhill House, 10 am
- Wednesday 27th November, 2019 - Committee Room 1, Woodhill House, 10am

ACTION SHEET

NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP – 5th DECEMBER, 2018

NO.	Agenda Item	ACTION	ACTION OWNER	COMPLETION DATE/ UPDATE
1.	Item 6: Technology-enabled farming: co-developing a vision for Scotland & Aberdeenshire	Steve Harrison to be invited to present at next meeting of NESAAAG	Derek McDonald	
2.	Item 8: The Implications of Brexit for Farming and the Rural Economy of Scotland	Brexit speaker to be invited to present at next meeting of NESAAAG	Derek McDonald	

**NORTH EAST SCOTLAND AGRICULTURE ADVISORY GROUP
BULLETIN – 24 APRIL 2019****FARM BUSINESS INCOME REPORT 2017-18****1 Recommendation****1.1 It is recommended that the Group notes this report****2 Discussion**

- 2.1 On 26 March 2019, Scottish Government published its most recent estimate of Farm Business Income (FBI) in Scotland, for the 2017-18 period.
<https://www.gov.scot/publications/scottish-farm-business-income-estimates-2017-18/>
- 2.2 FBI represents the total income available to all unpaid labour and their capital invested in the business but excludes income from diversified business activities. The Scottish Government's Chief Statistician noted the Scottish farming sector's continuing reliance on subsidy payments. Farms engaging in diversified activities continue to perform better than non-diversified enterprises by around £19,600 per annum.
- 2.3 While the FBI figures for 2017-2018 showed an increase of 19% in the estimated average commercial farm income to £35,400, the highest for six years, over 60% of the farms surveyed would nevertheless have been loss-making without CAP subsidy (£7,400 on average). Losses before subsidy payments were highest on Less Favoured Area (LFA) livestock units, typically of the order of £27,400. The 22% increase in the price of liquid milk over the survey period saw average estimated dairy enterprise incomes rise the most to £73,100.
- 2.4 Agricultural businesses which do not receive subsidies (eg pigs, poultry and horticulture) are not represented in the FBI survey. The FBI data is a stark reminder of the challenges faced by Scottish agriculture post-Brexit. Indeed the report notes that only 60% of farmers are earning enough to pay themselves the minimum agricultural wage.

3 Scheme of Governance

NESAAG 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 Implications and Risk

- 4.1 There are no equality impact implications arising from this report
- 4.2 There are no staffing and financial implications for the council arising from this report.
- 4.3 No risks arising from this report have been identified for the council at Corporate Level
- 4.4 No issues have been identified in relation to the Town Centre First Principle

Stephen Archer
Director, Infrastructure Services

Report prepared by Derek McDonald, industry Support Executive (Rural & Maritime)
16 April 2019