

Question from Member of the Public pursuant to Standing Order No 7

Question from Charles Goadby:

In a report by Development Economics (who do research for many public sector bodies) it was concluded that for every £1 of support invested into Agriculture, there was a £7.40 return on investment to the economy, with particular benefit to both local and rural economies. Given the removal of both Agricultural and Business property relief for farmers at a time that coincides with the increase in NI, the increase in decoupled support to production in the form of the Basic Payment Scheme and the introduction of carbon tax on fertiliser imports, does the council feel that this attack on family farming is additionally an attack on our local economy, our local community and an attack on our food security.

My 10 year average pre tax profits on farming has been £126 per acre. From next year, with the removal of bps support that pre tax profit will fall to around £60 per acre. This is a family farm that provides enough milk for 41,700 people, enough beef for 1950 people and enough bread for 125,000 people. If my 80 year old father passes now we will face a IHT tax bill of around £200 per acre for the next 10 years. Food production will no longer be viable for our farm and more land will be sold outside of farming and food production.

Since 1980 self sufficiency in the UK has fallen from 80% to 62% today. Natural England reported recently that if we continue on the current trajectory of environmental policy our self sufficiency will fall another 25%. All this at a period when the UN have said that food production worldwide must increase by between 60-80% by 2050 just to keep up with demand. We will have more competition for food, in a far more unsettled geopolitical climate, which will not only lead to more food inflation but also more frequent periods of empty shelves along with less ability to uphold our food standards which over 1million people petitioned to maintain. If we allow this government to run roughshod with such ill thought out policies it is not just our industry that will suffer, it is not just our environment that will suffer, it is not just our local economy and communities that will suffer, but everyone, especially those who are least able to afford the food they need to support themselves and have a healthy diet.

I ask the council members how much they value the food on their plates, the landscapes that surround us and the businesses served in this district, both directly and indirectly by our farms.

Response from David Wright – Leader of the Council

I'd like to thank Mr Goadby for his question.

- The Labour Government had no mandate to deliver such seismic change to the Inheritance Tax regime particularly on Agricultural and Business Property Relief. This was not included in the Labour Party manifesto and therefore, residents in North Warwickshire voted for Rachel Taylor under false pretences.

- Prior to the General Election, Steve Reed MP now the Secretary of State for Environment, Food & Rural Affairs confirmed to the NFU that Labour would not make changes to the APR regime on Inheritance Tax. This was clearly a lie.
- Keir Starmer said at the last NFU conference – *“losing a farm is not like losing any other business—it can’t come back.”*
- I believe that Labour’s plans on Agricultural and Business Property Relief would directly hit 70,000 small farming families across the UK. This would include the majority of small farming families, of which we have nearly 250, in North Warwickshire. This data is supported by the County Land and Business Association.
- No farmers no food. Without our small farming families, Labour’s plans will see the UK become more reliant on the foreign food imports. What does this mean for residents in North Warwickshire? Simply, it threatens food security and will see food prices going up for local residents.
- This council, with a Conservative administration, not only values but will strive to protect our rural borough and where we can will support our farmers and all businesses borough wide.