



## **W**elcome to the first edition of our new *BCM Rural Briefing*, a snapshot of our view of the rural world generally, our business, and developments moving forward

As we move into the second half of 2017, endless column inches continue to be dedicated to Brexit, Trump, and the world order. To completely cloud any certainty going forward, we now have the General Election outcome of a hung Parliament.

A possible welcome outcome is the appointment of Michael Gove as Secretary of State at DEFRA - he has committed to put food producers at the heart of Government policy-making as the UK readies for Brexit. However, time will tell how long he or his party can maintain a mandate to deliver this commitment or indeed quite what this 'commitment' is going to entail for farmers and landowners.

Every time we set foot on a client's farm, the question inevitably arises as to the position going forward. It is impossible to know at this stage how the rural economy will look over the next five years. What is certain is that it will look very different!

A vast amount of energy is being wasted trying to guess where these enormously complex Brexit negotiations will end up; and that is even before we consider the propensity for economic and wider relationships to break down as the current system unravels. We feel this activity is best left to the rural lobbyists and our cry to them would be to unify in pursuit of a prosperous and sustainable rural world moving forward.

The short term effect of the fall in value of sterling has led to a welcome boost to farm income in terms of commodity prices and an increased BPS cheque. This has been further bolstered (at last) by an improvement in milk prices. The current tricky harvest will not help matters financially.

Post-Brexit agricultural income from subsidy payments may be greatly reduced, with likely redirection of aid geographically. The environment and natural capital will come to the fore and payments are unlikely to be receivable purely for traditional "farming". It now seems certain that 'Plan Gove' will entail significant commitment from farmers in terms of delivering specific measurable environmental and wider benefits.

Once specific proposals are drawn up, enabling legislation will have to go through the UK parliament and whilst we must all continue to strive to make sure the rural voice is heard, such issues have not in recent times featured prominently in overall decision making coming out of Westminster. However, what we are already seeing is that scrutiny of the current regime will lead to calls for a widening focus in terms of the current fiscal 'benefits' farmers and land owners receive and clearly there is a definite risk these may be eroded as part of the current review.

Meanwhile, as a business, we continue to grow in terms of service offering and our overall team with a number of significant promotions and new members to our team. Despite the wider uncertainty, we remain cheerfully and resolutely concentrated on serving our clients' rural needs in an energetic, informed, and diligent manner.

I hope you enjoy the read.

**IAIN CURRY**  
*Senior Partner*  
*Rural Consultancy*



**“ THE ENVIRONMENT AND NATURAL CAPITAL WILL COME TO THE FORE AND PAYMENTS ARE UNLIKELY TO BE RECEIVABLE PURELY FOR TRADITIONAL 'FARMING' ”**