

# **APPENDIX Q**

## **WAVERLEY BOROUGH COUNCIL**

**EXECUTIVE - 7TH OCTOBER 2008**

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**Title:**

**SUPPORTING LOCAL BUSINESSES AFTER FOOT AND MOUTH**

**[Wards Affected: All]**

**[Portfolio Holder: Cllr Robert Knowles]**

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**Summary and Purpose**

This report looks at some of the work undertaken to minimise the impact of the 2007 Foot and Mouth (FMD) outbreak in Surrey drawing on collated reports by the Surrey Rural Partnership and Business Link Surrey and views of businesses affected by the 2007 outbreak. It describes some of the work undertaken by Waverley in partnership with other agencies and recommends that Waverley continues to work with organisations that support those affected by the outbreak and also presses the Government to settle the outstanding compensation claims as soon as possible.

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**Environmental implications:**

There are no specific environmental implications arising from this report.

**Social / community implications:**

There are no new social or community implications arising from this report

**Resource and legal implications:**

There are no new resource implications arising from this report. The report presses the point about the need for the Government to resolve outstanding compensation issues for those affected by the FMD outbreak.

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**Introduction and background**

1. The 2007 Foot and Mouth (FMD) outbreak started in Pirbright on August 3 on land farmed by a Waverley farmer. In total, eight premises were infected and over two thousand animals were slaughtered for disease control purposes. There is a Statutory Duty on local Authorities to be prepared for a notifiable animal disease outbreak, and duty to perform certain roles in the event of a suspect or confirmed animal disease outbreak. Local authority Trading Standards teams have responsibility for enforcement of a wide range of animal health and welfare legislation relating to farmed animals and are the lead local organisation when outbreaks such as FMD occur.

2. With such emergencies, local authorities have a duty to inform their community and Waverley played a significant role in supporting the various agencies and in providing up-to-date and timely information on its website. The role of the local authority in this situation cannot be overestimated and Waverley was commended at public meetings and elsewhere for the quality of its information on its website during the crisis.
3. During the FMD crisis and throughout the past year, Waverley's Chief Executive and Executive councillors have demonstrated Waverley's community leadership role to ensure that its communities were fully informed about the changing circumstance. The Council has also supported the businesses affected by the outbreak both individually and collectively in both local and national meetings.
4. After the emergency has passed the spotlight moves away from those affected and previous outbreaks have shown that there is a danger that isolation and can occur for those whose businesses have been affected.
5. This report, which is timed after the national investigations into the outbreak have concluded and reported (including that of Dr Iain Anderson), concentrates on some of the support that has been provided to local businesses by a range of agencies after the initial crisis passed. However one year on, there is concern that the government has still not resolved some aspects of the compensation claims to those affected by the outbreak.
6. The FMD outbreak was compounded by the subsequent arrival of the Bluetongue disease in the UK which resulted in further restrictions for some sectors of the farming community and worries about avian flu which affects other sectors.

## **The Impact on businesses**

### **Agriculture**

7. The immediate impact on farmers whose animals are culled during an outbreak of FMD can easily be appreciated. What is not widely understood are the restrictions on those businesses affected for a statutory prescribed period when animals cannot be reintroduced onto land. Various restrictions are in force which mean that animals cannot be restocked on premises for up to twelve months after a confirmed outbreak. In addition, compensation payments are assessed on the value of the animal before it became infected without taking into account loss of earnings or meat that has been condemned that was ready for retail sale. Two of the businesses that had animals culled (either because of infection or suspicion of infection) had retail operations and also lost thousands of pounds worth of meat ready for retail sale.
8. Other farms were affected because their normal outlets were closed for a period including farmers markets and abattoirs and local showcases for products and events such as ploughing matches and agricultural shows were also cancelled. The organisers of such events also lost thousands of pounds as the events were cancelled at short notice having paid out most of the costs for the events in advance.

9. Waverley worked with a range of organisations including SEEDA, the NFU, Business Link Surrey and the Surrey Rural Partnership, arguing that compensation should take account of the nature of the business particularly where local farms had taken heed of Government advice to diversify and add value to their primary business. Waverley also worked with the FARMA (the National Farm and Retail Markets Association) and negotiated a change to one of the rules for farmers' markets that allowed those affected by FMD (and also the 2007 floods elsewhere in the country) to continue to attend Farmers' Markets whilst they rebuilt their business.
10. The impact on farm businesses outside the immediate area of FMD were also significant. They couldn't sell animals because of movement restrictions; had to employ additional staff to look after animals that would otherwise have been sold earlier, and in some cases were not able to export for many months after FMD as these restrictions were some of the last to be lifted. For some businesses this meant that animals were then past their prime and could not be sold at optimum values and in a number of cases were then sold at a loss.
11. Earlier in the year, Waverley hosted a meeting with Business Link Surrey, Surrey Trading Standards, the NFU, Surrey Rural Partnership, SEEDA, Surrey Economic Partnership and Tourism South East to see how the various agencies could work together to support businesses affected by FMD. This resulted in a programme of support aimed at the 508 farm businesses in Surrey that were in the Protection or surveillance zones or affected by the blue-tongue restrictions and included:
  - one to one specialist advice to help business forward plan,
  - a series of tailored workshops organised by the Land Based Advisory Service/Surrey Business Link workshops
  - a wider campaign by EBLEX (English Beef and Lamb Executive) to promote the availability and quality of beef and lamb produced in the area
  - a campaign by Tourism South East/Visit Britain to promote the value of what is available in the area and support businesses in the region affected by flooding and Foot and Mouth
  - Waverley organised a Welcome Excellence course for businesses to focus on improving the welcome visitors receive
  - Pride's Farm was invited to participate in the Haslemere Food festival
12. It is too early to evaluate the impact of the programme of support overall because some of the workshops around business planning and addressing the impacts of climate change will take time to generate results, but anecdotally this type of support has been valued by those attending. Further evaluation of the support for the agriculture sector is currently taking place as part of the research for the third Surrey Farm Study.
13. The Waverley Mayor has continued to support farm businesses throughout the year to assist in raising publicity for the agricultural sector and celebrating all that is best with fresh, local seasonal produce. This included attending the reopening of the Pride's Farm Shop in Thursley and regularly shopping at the Farmers' Markets in the Borough. There is no doubt that the publicity on local produce and in support of those affected by the FMD outbreak has generated goodwill among customers.

## **Tourism and other businesses**

14. Research from Tourism South East showed a more positive picture. Unlike the 2001 outbreak, 88% of visitor attractions in and around the FMD surveillance zones reported business as usual. Many which had animal attractions or were accommodation on or near farms put in place additional bio-security precautions such as disinfectant mats and additional precautionary signage. Some businesses closed for some of the period and a few reported cancellations by visitors concerned about FMD but overall the situation for businesses reliant on visitors/tourism spend was better than had been hoped. The publicity that the countryside was not closed and that most businesses were operating as usual undoubtedly helped.
15. Concern was raised about the impact on Waverley based equine businesses during the immediate FMD restrictions, particularly in the light on conflicting advice from Defra about restrictions on horse movements. However, no specific long-term issues emerged for this business sector during the research into the impact of FMD.
16. One year on, the major concern for visitor related businesses in the area is how can they maintain visitor numbers during the pressures on everyone's individual household expenditure.
17. Waverley has worked with the Surrey Rural Partnership and the Surrey Hills Leader programme to ensure that the eligibility criteria for the new RDPE (Rural Development Programme for England) includes those businesses affected by the FMD outbreak. The new funding programme became available in Summer 2008 and lasts until 2012.

## **Conclusion**

18. The FMD outbreak was contained because of the good co-operation between a wide range of partners including the farmers themselves. However, even on a local level enormous distress and hardship was encountered. The fact that the outbreak occurred on a government site shared with a private sector partner and was avoidable is deplorable as is the fact that adequate compensation is still outstanding for many of those affected by the outbreak.
19. Since the outbreak Waverley has worked with a range of partners and through the new Surrey Rural Partnership to ensure that support has been available for businesses in and round the affected areas and this support has been appreciated by those involved. Waverley should continue to ensure that it optimises support for its businesses through involvement with a range of partners.

## **Recommendation**

It is recommended that the Executive:

1. notes the partnership work that has been taking place to support those businesses affected by the FMD outbreak in Surrey;

2. seeks to optimise support available for Waverley businesses by continuing to work with SEEDA, Business Link Surrey, Tourism South East, the Surrey Economic Partnership, Surrey Food Links, Surrey County Council and other appropriate partners; and
3. expresses its concern that compensation payments are still outstanding one year on from the outbreak and urges Defra and the Government to resolve speedily the outstanding compensation claims for businesses affected by FMD.

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Background Papers (SDoCS)

Surrey Rural Partnership: Collated Issues from recent Foot and Mouth Outbreaks in Surrey (2007)

Business Link Surrey: Foot and Mouth Disease August 2007. Investigation into the impact on Rural Business

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