

Sow the seeds of success

With the latest news from Crawford® Agriculture

Welcome to the latest edition of our Sow the Seeds newsletter, which comes to you as we continue to deal with the Storm Arwen/Barra aftermath.

Storm Arwen saw Crawford Agriculture receive a record-breaking number of instructions following extensive damage across the UK. The response from our team has been outstanding; our adjusters were immediately out with clients and assisting their customers, with our dedicated support team providing invaluable advice and emergency guidance from the outset. It is in situations like this that our clients really reap the benefit from the unique depth and breadth of our team's rural experience and skills, and we are proud to have delivered on all aspects of our service throughout this busy time. There remains much more to do and we will, of course, be focused on maintaining our high standards.

To provide this consistent service, it is important that we continue our market-leading investment in new and existing rural expertise. Despite the pandemic, Crawford Agriculture has maintained its focus on differentiating our succession planning, and we were delighted to welcome a number of new people to our team throughout the year. Overleaf you will find the thoughts of several chartered rural surveyors turned rural loss adjusters who have successfully transferred their existing skills to our industry. This combination of recruiting relevant industry skills alongside developing and promoting our own new talent, means our team is larger and bolstered by a broader skill set than ever before.

Our passion for developing people extends beyond our own team; with the benefit of virtual meetings we have been able to deliver more training sessions for clients than ever before. Indeed, our 'Future Farming Risks and Claims' session has become an industry talking point, with the international agricultural insurance market taking a particular interest. Our 'Customer Enhancement Services' session, founded upon regulatory requirements and tailored for those rural individuals who need additional support throughout their claim journey, has also proved increasingly popular. These are just two examples from an extensive syllabus of training courses we have developed; with the pace of change in agriculture, we recognise the importance of knowledge sharing and requirement for rural expertise. Talk to us: how might we assist your team to succeed?

Thank you for your support throughout 2021, and on behalf of all of us at Crawford Agriculture we wish you a Happy New Year.

**Paul Lofkin**

Head of Specialist Services –
Agricultural, Rural Industries & Estate Losses

 paul.lofkin@crawco.co.uk
 +44 (0) 7717 806050

We Three Land Agents

How did three land agents find themselves working as loss adjusters?

During the last lockdown Rowena Jones, Helen Parker and Richard Jackson all joined the Crawford rural loss adjusting team as part of our continued mission to attract and develop new and genuine agricultural talent to our industry. All three are experienced rural surveyors and between them have worked in just about every aspect of being a land agent.



Helen Parker
 helen.parker@crawco.co.uk

and New Zealand before returning to England and enrolling at the Royal Agricultural University. Obtaining an MSc in Rural Estate and Land Management enabled Helen to become a chartered surveyor whilst working for a national firm of land agents where she spent 14 years with the same firm specialising in rural estate management and all that goes with it.

She was looking for a change when the opportunity at Crawford came out of nowhere and, after speaking with several of Crawford's existing employees, made the move in early 2021 to start a new career as a rural loss adjuster. Loss Adjusting was not a profession she had been looking to diversify into but on finding out more it was apparent that the skill set of a land agent and loss adjuster are very similar.

Helen lives with her husband and two children on a working dairy farm in North Yorkshire.

Helen has always loved the countryside and spent her teenage years horse riding, working at a riding school and teaching lessons. She then went to Bishop Burton Agricultural College (as it was at that time) and obtained a BSc (Hons) in Equine Business Studies. From there she worked and travelled in Canada

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It was strange at first, I did not meet a colleague in person for three months, but when I did it felt like I knew them. The advent of Microsoft Teams for use of business and work socials means that colleagues do not feel like strangers. The Crawford team are excellent at organising and delivering fun and engaging work socials, even remotely – getting glammed up for a cocktail evening (well from the waist up) and then sitting with my hubby in our kitchen making cocktails with work colleagues was a slightly surreal but enjoyable experience! I can say wholeheartedly that I am happy with my decision to move into the insurance industry and every day I am learning something new, seeing new places and meeting new people. The skills I have from being a land agent are proving invaluable and I am looking forward to my future with Crawford.

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Richard Jackson
 richard.jackson@crawco.co.uk

Born and raised in Cumbria with farming relatives and a rural upbringing, Richard's interest in farming and the countryside was sparked at a young age. However, non-farming parents meant he was always one key (expensive) ingredient short of being a farmer... a farm!

The vision of living life as a “popular” rural or land agent on a large “wealthy” estate with a detached stone character property, plush 4x4 and multiple opportunities to indulge in a love of country sports led him to enrol at Harper Adams University, an educational institution Crawford has a long and successful relationship with. With a BSc (Hons) in Rural Enterprise and Land Management under his belt, and knowing a

farm of his own was not an immediate option, Richard has spent the last 10 years working for a family run firm of land agents where he qualified as a Chartered Rural Surveyor and Fellow of the CAAV.

After achieving much success in his decade as a land agent, a desire for a new challenge emerged and was further amplified by the impact of the coronavirus pandemic and so the opportunity to join Crawford in early 2021 as a rural loss adjuster was not one to miss.

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Working as a loss adjuster is unpredictable and despite handling claims daily, I soon realised very few claims are the same. The team at Crawford have been super welcoming and supportive and accepting of the fact a former land agent, despite a need of coaching and development, comes with a different set of skills, knowledge and outlook which can be helpful in loss adjusting.

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Rowena Jones
✉ rowena.jones@crawco.co.uk

Association from an early age and particularly enjoyed stock judging and producing prize winning sheep. Given her breeding and up bringing there was no other industry for her to go into apart from agriculture, the question was, which aspect of agriculture?

This led Rowena to the Royal Agricultural University to complete her Degree in Food Production and Supply Management followed by the completion of her Masters in Rural Land Management. From there she secured employment as a Rural Surveyor, working with a variety of public and private clients managing their property and land portfolios, completing valuations and other general private practice work. Rowena now lives on a diversified mixed farming enterprise farm in mid Wales and is also fluent in the Welsh language.

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Loss adjusting was not a career that automatically sprung to mind when I was searching for alternative employment, the job advert ticked a lot of boxes with a varied and interesting role. I applied – you know one of those jobs you are never going to get – but what did I have to lose by applying!! Starting a new role for anybody over the last 18 months, has no doubt been daunting due to the global pandemic and not being able to sit in an office with direct support, however this is not the case at Crawford & Company. The virtual support structure has been fantastic from the offset from all levels – from day to day questions and queries to actively promoting my career development.

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Summary

Clearly, making the decision to change not only employer but also career during a global pandemic was a big decision – the country was in full lockdown meaning Helen did not meet a colleague in person for three months. Richard went from Microsoft Teams beginner to pro very quickly and Rowena learnt that adverse weather increases the workload and they all came to realise that no two days are the same in loss adjusting! One day you are dealing with a collapsed ceiling, the next a claim coming in for a cow which had been washed up on shore 200 miles from its holding, or assessing the loss from high profile explosions that are reported in the national press.

All were acutely aware of the challenge they were taking on; however, the opportunity to improve the flexibility of their work-life balance in addition to working for a forward-thinking, highly innovative and adaptive company, was a risk they were willing to take. The technology implemented within Crawford ensures that the device of choice always connected to the desired person; virtual meetings became the norm for business and work socials, and therefore, ensuring colleagues do not feel like strangers even during a global pandemic.

The role of a rural loss adjuster – to be out and about in their local communities, meeting new people, problem solving and interacting with fellow professionals – ticks boxes for all three former land agents and has aided a smooth transition from the world of rural surveying to loss adjusting. This combined with the fact that the genuine, continued agricultural experience and knowledge they all bring with them is proving invaluable to the multitude of queries that rural insurance claims present. They are finding it very rewarding to be able to contribute and assist seasoned insurance colleagues with a different professional experience and view of the rural world.

The support and inclusion offered by Crawford, specifically the rural adjusting team, has enabled a smooth transition for these three land agents to be on their way to becoming fully fledged loss adjusters. Six months in they have no regrets with their decision to move into the insurance industry. Every day brings a new challenge/adventure and if it's something you might be interested in then please do contact Helen, Richard or Rowena to find out more about what it's like to work in the UK's premier rural adjusting team.



The Rising Cost of Agricultural Buildings



The building and construction sector is in the spotlight at present and the agricultural sector is no exception. In this article, our rural loss adjuster, Richard Jackson – who is also a Chartered Rural Surveyor, and CAAV member – shares his thoughts on the cause and impact of rising costs for agricultural buildings.

Most of us are probably aware of the recent increase in the cost of building materials and disruptions to supply chains over the last 12 months. There are several contributing factors not least COVID-19 outbreaks closing Chinese ports, containers and ships being in the wrong places (not to mention the ill parked EverGreen in the Suez Canal adding further drama), or waiting offshore due to congested ports, BREXIT, increased energy prices and the lack of UK HGV drivers to keep supply chains moving. It seems nothing has escaped the turmoil; timber, steel, machinery, cement, and cardboard are all in short supply. It's predicted that things will, in time, rebalance as global economies recover, and the backlog of supplies slowly clears (subject to no significant relapse) and the products within the piles of unopened containers at docks are distributed.

Inevitably, the agricultural sector does not go unaffected considering all the above. Particularly,

agricultural building suppliers who have been unable to avoid being hit by increased costs across the board due to a heavy reliance on steel, timber, cement, and a range of cladding materials. To compound the issue there is a shortage of suitably skilled and experienced labour in the construction industry due to a combination of virus restrictions, retirements/people opting for other work as well as the loss of skilled labour from central Europe. To give some illustration of the cost increases over the last 12 months; steel, which fluctuates in 'normal' times, has increased by over £500/tonne; timber prices have increased more than 50%; galvanised internal fittings have increased 30-40%; and concrete is now £95-£100 per cubic metre at the time of writing. Each of these costs have a direct impact on the cost of fabricating and erecting both modern and traditional agricultural buildings.

Today, the vast majority of modern agricultural buildings are predominantly steel portal frames. Portal frame agricultural buildings date back to the 1940s when concrete was used for the frames and asbestos cladding was common practice until the 1960s/1970s when cheaper steel frames predominantly replaced concrete. The steel portal frame building dominates when it comes to farm expansion as they are relatively simple to form, rapid to erect, relatively low-cost, flexible in terms of design and have a multitude of uses. However, there are several variables



to consider including size, intended use, choice of materials, services, location/siting, and more recently the incorporation of renewable energy systems etc, meaning each agricultural building should be considered bespoke. Such variation means calculating a standard cost per square metre is not easily achieved and most published standard rebuild costs do not allow for additional features and fixtures and as such are heavily caveated. Therefore, the devil really is in the details and allowances must be made during each on farm assessment.

Despite all of the above, the cost of erecting modern agricultural buildings is typically lower than the majority would first think as they tend to be comparatively simple in design and do not require the same compliance with building regulations as a commercial/industrial unit equivalent which typically require insulation and additional services. According to Agro Business Consultants, an enclosed general-purpose steel portal frame building, roofed with concrete floor, low block walls, rainwater goods and electricity measuring around 540 sq/m has a price range of £230 to £270 per sq. metre (exc. VAT). However, once you start adding internal fixtures, for example: cubicle housing with feed stances and slatted floors, then costs increase to £465 to £550 per sq. metre (exc. VAT).

The other types of buildings typically found on farms are traditional farm buildings of various sizes, construction, design, layout, and condition. Traditional buildings vary depending on primary purpose subject

to geographical location and historic farming practices (pastoral/arable/mixed) of each location. These vary dramatically in design and construction and often have more expensive features such as stone walls, large sectional timber trusses, slate or thatched roofs and architectural features. Rebuild prices for traditional buildings vary dramatically with a basic stone built, single storey building under a slate roof priced between £1,200 and £1,300 per sq/m, which doubles for two storeys.

As it stands there seems to be no obvious end in sight and costs are likely to continue to rise until the supply chain and labour issues are resolved in the broader market and until then agricultural building rates will continue to fluctuate. Some are hopeful that the balance will start to tip at the start of 2022, with others suggesting a glut in stocks might see a reduction in prices in a new twist. At Crawford our skilled and experienced agricultural Adjusters include Chartered Rural Surveyors such as myself who work closely with insurer clients and intermediaries to understand policy building definitions and value at risks, as well as working seamlessly with our RICS-regulated Building Consultancy business to carefully manage claim costs in an environment where they are escalating.

Aquaculture: Industry Insight & Crawford's Offering



Max Perris, Crawford Agricultural Consultant and aquaculture specialist, provides an insight into aquaculture including common claim scenarios encountered:



Since the 1980s aquaculture has consistently been the fastest growing sector of the food and agriculture industries. According to the United Nations Food and Agriculture Organisation, global aquaculture production reached 110.2 million tonnes in 2016 equating to USD 243.5 billion first sale value and was distributed across 194 countries with currently active industries (SOFIA 2018). This production comprises over 600 animal species as well as numerous plants and algae, commercially farmed, using a wide range of technology encompassing fresh, brackish and seawater environments.

Seafood in its widest sense also comprises the most globally traded food and agriculture commodities, and as such, the restriction on the movement of people and goods during the ongoing COVID-19 pandemic has had a significant impact on this trade, before mentioning the impact on British seafood exports of Brexit. Times are hard for many producers and the impacts are likely to be far reaching with the expectation for the industry to undergo increasing:



Deglobalisation – the need for localised food production



Digitalisation – the need for efficiency, climate resilience and remote real time operations



Consolidation into a smaller number of larger companies



Augmentation – the global calorie yield needs to increase by 50% by 2030 due to the predicted population growth and food requirements

Despite the current challenges facing stakeholders, overall, the future of aquaculture looks bright, as it must fulfil an increasingly important role in global resilient sustainable food production. Terrestrial livestock production has received a lot of unfavourable press due to claims of having a negative environmental impact; as such, large numbers of consumers are turning to high welfare seafood as an alternative sustainable protein source.

There is an array of commercial insurance cover available to aquaculture producers, such as:

-  **Stock mortality**
-  **Loss or damage to workboats and marine liabilities**
-  **Onshore property**
-  **General liabilities**
-  **Divers' liability**
-  **Post-harvest cargo**
-  **Product recall/liability**
-  **Business Interruption**

One of the most significant assets is the stock itself, and a full appreciation of the associated risk management, mitigation and transfer requires a high degree of specialist knowledge. Crawford provide specialist services within this sector on a global scale, whereby our provincial offices can offer a local first point of contact with a full understanding of regional statutory requirements and language, supported by extensive technical knowledge, experience and market reputation here in the UK. The value of all keeping

communication in the same time-zone and language of the customer has been appreciated by our insurer clients and has enhanced their existing relationship(s) on a local and global basis. Such services apply to both onshore and offshore operations and include loss adjusting, pre-risk surveying and all other aspects of risk management.

Our skilled Crawford Aquaculture team offer the following range of specialist services:

-  **Claims adjustment**
-  **Pre-risk and on-risk surveying for on and offshore operations**
-  **Risk management consultancy**
-  **Assistance in designing and implementing novel and innovative aquaculture risk transfer solutions**
-  **Product recall**
-  **Cyber risks**
-  **Forensic accountancy**
-  **Training and development support to new and existing clients**

As part of our continued development, Crawford has invested into significant training at the Institute of Aquaculture, University of Stirling and we utilise such skills and insight to provide training and advice to our global aquaculture clients. If you would like any more information on aquaculture or have an interest in learning more about the claims we handle please email max.perris@crawco.co.uk.





The Future of Farming: Then & Now



Jane Hunter, Crawford Agriculture Technical Head, reflects on how the COVID-19 pandemic and BREXIT was expected to impact the sector versus what actually happened.

Towards the end of 2020 I attended a Farmers Weekly discussion on “What does the future of farming look like post COVID and Brexit?” which, in summary, suggested the industry would have to adapt going forward; that there would have to be a change in policy and farmers would need to operate in a different way. It was thought consumers would tighten their belts post COVID-19 and domestic consumers would still be vital to the industry, although the hope was that new consumers may appear.

There have been further developments with both the Agriculture Bill and the Trade and Agriculture Commission. It has been 70 years since the last Agriculture Act and on 11 November 2020 the Agriculture Bill passed into UK law as the Agriculture Act 2020. The Act paves the way for fundamental change to the agricultural industry following the UK’s exit from the European Union. The changes include a boost to the industry by replacing the direct support scheme with a system of public money for “public goods”. From 2021, farmers have a seven year transition



period to adapt to the new system which intends to reward farmers and land managers for contributing to better air and water quality, thriving wildlife, soil health and the implementation of measures to reduce flooding and the adverse effects of climate change. There was, however, widespread disappointment across the agricultural industry that some proposed amendments which aimed to ensure that farmers are not undercut by cheap imported food and inapt trade deals in the future were not included in the final Act.

The powers of the Trade and Agriculture Commission (TAC) have been increased. The Commission will be independent, permanent and will be given the power to scrutinise each individual trade deal offered to the UK. The Commission will review each deal’s possible impact on food, welfare and environmental standards. There is, however, concern from certain parties that the Government’s pledge to strengthen the TAC was designed to sidestep the amendments to the Agriculture Bill and there are further concerns the TAC has no powers in law to force changes in the event of a trade deal being agreed which damages the UK farming industry or facilitates unfair pricing.

Immediately following Brexit, the industry was thankful the politicians managed to obtain a tariff free deal. However, in late January 2021, UK meat shipments were left rotting at ports allegedly due to cumbersome

paperwork caused by Brexit. Shipments of perishable pork products were rejected and hauliers were experiencing significant delays at certain locations. It was hoped in early 2021 that the issues experienced at that time were just 'teething' problems but, unfortunately, as we fast approach the end of 2021, the problems experienced at the start of the year have not settled down. The farming industry is still moving at a fast pace and there have been more unprecedented events with the impact of Brexit and the pandemic still being felt. We recently experienced the fuel crisis and the ongoing CO2 shortage which have created huge challenges within the food chain. Farmers will, like the rest of us, feel the impact of the fuel price increase but are also experiencing huge cost increases in other inputs such as fertilisers and chemicals, further impacting unsustainable costs of production across most livestock sectors.

The situation within the pig industry has not improved with a backlog of 120,000 pigs on farms caused by a combination of the labour shortage, including skilled butchers, the impact of COVID and the shortage of carbon dioxide gas. Many farmers were faced with a mass on farm welfare cull and this will undoubtedly force some pig farmers to exit the industry. The labour crisis appears to deepen across the sector: one Lincolnshire vegetable farmer is offering £30/hr (equivalent to £240 per day or an annual salary of £62,000) to pick broccoli, an increase of £16/hr compared to 24 months ago. Growers feel

trapped as they have contractual commitments to supply the produce. One meat processor is currently flying in Irish employees on a weekly basis to keep slaughterhouses operational amid the labour shortage.

Exports of food and drink from the UK to the EU fell by £900M in the first half of 2021 compared to the same period in 2020 with cheese and beef particularly hard hit. Even accounting for an upward shift in exports to non-EU countries, the net impact shows UK exports were 4.5% lower overall compared with 2020. The Government has allowed tariff free access to Australian food producers whilst failing to insist on equivalent production standards to UK producers, perhaps setting a precedent that every other food producing nation would expect the same criteria in the future.

There are grave concerns in UK farmers that there should be a commitment not to let Britain's self-sufficiency to drop below its current level of 60% and a recent petition was delivered to George Eustice, DEFRA Secretary.

In conclusion, in my personal view that it is going to be difficult to solve the problems facing the industry and unless a higher value is placed upon food and the current challenges within the industry are taken seriously, there is a chance our domestic supply chains will deteriorate, further reducing the nation's self-sufficiency.



About Crawford & Company®

For over 80 years, Crawford has led the industry through relentless focus on people and the innovative tools that empower them.



Loss
Adjusting



Third Party
Administration



Managed
Repair



Medical
Management



On-Demand
Services



Catastrophe
Response

9,000 employees | **50,000** field resources | **70** countries | **\$18B+** claims managed annually