



HOUSE OF COMMONS

LONDON SW1A 0AA

The Rt Hon George Eustice MP  
Secretary of State for Environment, Food & Rural Affairs  
Seacole Building  
2 Marsham Street  
London SW1P 4DF

28<sup>th</sup> April 2020

Dear George,

**COVID19 – Ornamental Horticulture**

Following earlier this month, we are writing to highlight the immense difficulties currently being experienced by those in the ornamental horticulture sector. Social distancing has resulted in the removal of numerous primary routes to market during peak season (March – June), in which the majority (around 70%) of their yearly produce is sold to supermarkets, garden centres, florists, at auctions and elsewhere.

Consequently, as plants, flowers and bulbs are seasonal and perishable, over £200 million worth of produce will be wasted, with lost plant sales amounting to £687 million by the end of June.

The horticulture industry has deep national roots, comprising around 600 to 700 family businesses, many of which have cultivated the same land for generations. As the sector contributes £1.4 billion to the nation's GDP, providing 15,000 rural jobs directly and almost 30,000 indirectly, it is crucial to rural prosperity. Last year, over 500,000 jobs were supported by ornamental horticulture.

The importance of the ornamental horticultural industry to national economies has been clearly recognised by other nations. In the Netherlands, the Dutch Government has created a €600m Emergency Fund to support the sector. In addition, garden centres have already reopened in several European countries, including Germany and the Netherlands, with appropriate public health and social distancing measures in place.

We propose that the Government proceeds with three points of action, each of which will contribute to the survival of ornamental horticulture.

Firstly, following work conducted by the NFU and the Horticultural Trades Association (HTA), designed to measure the cost of production for stock which has been lost, it is estimated that a support package of up to £250m is needed to ensure businesses have sufficient capital for future investment in



stock for the 2021 season and beyond. Such a package is crucial to industry survival, as it would enable growers to bounce back quickly, planning ahead for seasons to come.

Second, as noted above, though present financial measures announced by the Government are welcome and gratefully received, they are, in many cases, unsuitable for businesses within ornamental horticulture. Investment in stock means that many nurseries do not have the reserves to take on the debt of a Government loan. In addition, though they supply such sectors directly and are thus affected by closures within them, ornamental growers do not qualify for the business rate holidays and associated grants that are proving invaluable to companies within retail, hospitality and leisure. Many growers have attempted to access CBILS in order to support immediate cashflow, but have experienced difficulties due to the timescales associated with the programme and State Aid restrictions creating a cap on the loan value. Due to the low margins within this sector and high serviceability requirements being placed on these loans many businesses would be unable to repay the loan within the 6-year period. An extension to at least 10 years would make these loans more viable and so would be extremely welcome.

Third, as the Government develops plans to ease current 'lockdown' restrictions, garden centres, which are often large, open air spaces, are well placed to operate in accordance with strict social distancing measures, which means that they should be included in the first wave of restriction relaxations. The HTA and Garden Centre Association are working with Defra on a draft protocol on the safe operation.

Whilst horticulture may not strike people as a pivotal priority at this time of crisis, we must consider investing in businesses upon which we depend for medium and long-term prosperity. Plants, flowers and green spaces not only reduce Co2 from the atmosphere, they bring beauty and calm to urban environments and contribute to the physical and mental wellbeing of millions.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "John Hayes".

**The Rt Hon Sir John Hayes CBE MP  
South Holland & The Deepings**



**James Wild MP**  
**North West Norfolk**

**Neil Parish MP**  
**Tiverton and Honiton**

**Sir Desmond Swayne MP**  
**New Forest West**

**Ian Liddell-Grainger MP**  
**Bridgwater and West Somerset**

**Fiona Bruce MP**  
**Congleton**

**Gareth Davies MP**  
**Grantham and Stamford**

**Andrew Griffith MP**  
**Arundel and South Downs**

**The Rt Hon Sir Edward Leigh MP**  
**Gainsborough**

**Martin Vickers MP**  
**Cleethorpes**

**Richard Drax MP**  
**South Dorset**

**Edward Timpson MP**  
**Eddisbury**

**Mark Pritchard MP**  
**The Wrekin**