

Managing poultry farm risks

Protecting your business



Year on year, UK fresh poultry retail sales have grown ahead of the market at 13.5%, outperforming other meat proteins.¹

And with Marks & Spencer's announcement to move to 100% British chicken, including ingredients, all the trends point to a growing market.¹

But with increased opportunity comes increased risks. In fact, one insurer cites failure in the bio-security measures of poultry farms as the reason for the vast majority of disease outbreaks.²

We take a look at the top risks to poultry farms and the steps you may want to consider to mitigate them and protect your business.

¹ | Poultry World 'Looking ahead at UK poultry trends: A retail update' April 2021

² | Apollo Syndicate Management Limited, May 2021



Disease management

One insurer says that the vast majority of disease outbreaks are as a result of a failure in the bio-security measures or by interaction with wildlife.²

For example, contamination from nearby public access areas such as footpaths and common land; or poor house maintenance which can lead to water ingress, which in turn can lead to contamination.

The impact to your business

Have you considered the impact of a disease outbreak to your business? Not only will this impact your poultry farm business, but any other non-poultry farming interests that you may operate from the same holding. For example, if you've diversified and are operating a farm shop, you may also have to close the shop if your farms suffers an infection. What impact will this have to your income?

You may also want to think about the wider impact an outbreak could have to your whole supply chain and any affect a geographical exclusion zone could have on your neighbouring farms. Likewise, any outbreak on your neighbours' farms could also threaten you.

So what can you do?



Biosecurity prevention

Here are some steps you can take to build a disease prevention plan and help keep disease out:

1. Assessment

Conduct a risk assessment of the physical biosecurity, poultry management biosecurity and other risks on your farm, including:

- the layout of your farm and operation(s)
- the business as usual daily activities of your farm.

2. Biosecurity plan

Build a plan to ensure your farm is as secure as it can be, without affecting everyday activities and steps to improve on any risks identified. This should be aligned to your assurance code standards, such as Red Tractor Assurance, to make sure you're compliant. It should also include details on what to do in high-risk periods, such as during the winter migration, what the legislation is and what your legal requirements are. This includes the different physical controls and working procedures. Any maps of the farm should include clear markings for the Live Bird Areas, the Ancillary Areas, and the Rest of the Farm.

3. National outbreak – local response plan

Consider building a plan to respond to a disease outbreak where you are not directly affected, including what will affect you and what your requirements are. For example, requirements for increased biosecurity, housing orders (if relevant) and movement restrictions.

4. Infected premises response plan

This is a key document if you are unfortunate to be infected. This should be a farm specific plan, explaining the key stages of what happens during an investigation and how that escalates if the results come back positive.

When the Animal and Plant Health Agency (APHA) turn up on site they will have a 36-page document that needs to be completed that asks for everything from staff on site, to shed and bird numbers, feed information and the biosecurity protocols you have in place. Until they have all this information, they will more than likely not allow any licensing on or off the site. Consider consolidating all this information into one document in advance to help speed up the process.



Biosecurity prevention continued

5. Cleaning and disinfecting

Once the birds have been culled, and the initial cleaning done, you will need to provide APHA with a decision on which one of the following three options you are going to choose:

- EU cleaning and disinfecting
- OIE cleaning and disinfecting
- close doors for 12 months.

Planning this bit in advance will give you a clear understanding of the different options, what the consequences are and help you make the right decision before the event. It will also help speed up the process of APHA turning the farm back over to you.

Option 1: Full EU C&D

This option is the quietest for restocking your farm with poultry.

These are the first seven steps:



1.
Remove litter



2.
Dry clean



3.
Apply foam
degreasing
agent



4.
High
pressure
wash



5.
Rinse with
clean water



6.
Dry



7.
Apply
approved
disinfectant

Wait for seven days before starting
the next seven steps:



1.
Apply foam
degreasing
agent



2.
High
pressure
wash



3.
Rinse with
clean water



4.
Dry



5.
Apply
approved
disinfectant



6.
Rinse with
clean water



7.
Seek approval
from APHA for
re-stocking

Option 2: Cleaning and disinfection to OIE standard

Washing and cleaning by carefully brushing and scrubbing of the ground, floors and walls; all accessible surfaces of floors, walls and objects have to be cleaned by careful scraping or brushing and equivalent process to ensure that the disinfectant used can be effective.

This option will prevent you from restocking with poultry or any other susceptible species (for example pigs) for 12 months.

The seven steps: APHA will still expect you to clean as much as the other options, to remove all visible contamination by application of a foam degrease, high pressure wash and then rinse and apply disinfectant.



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7.
Apply
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Option 3: Keep the farm closed

APHA will spray disinfectant inside the sheds and surrounding areas (preliminary cleaning and disinfection). Sheds will be locked and closed. Whole site - as defined by the CPH - is closed down.

All restrictions are maintained for 12 months.

No livestock can be kept in the poultry shed or on the range.

Full pest control must be put in place and records kept.

APHA Veterinary inspectors will regularly make visits to ensure compliance.

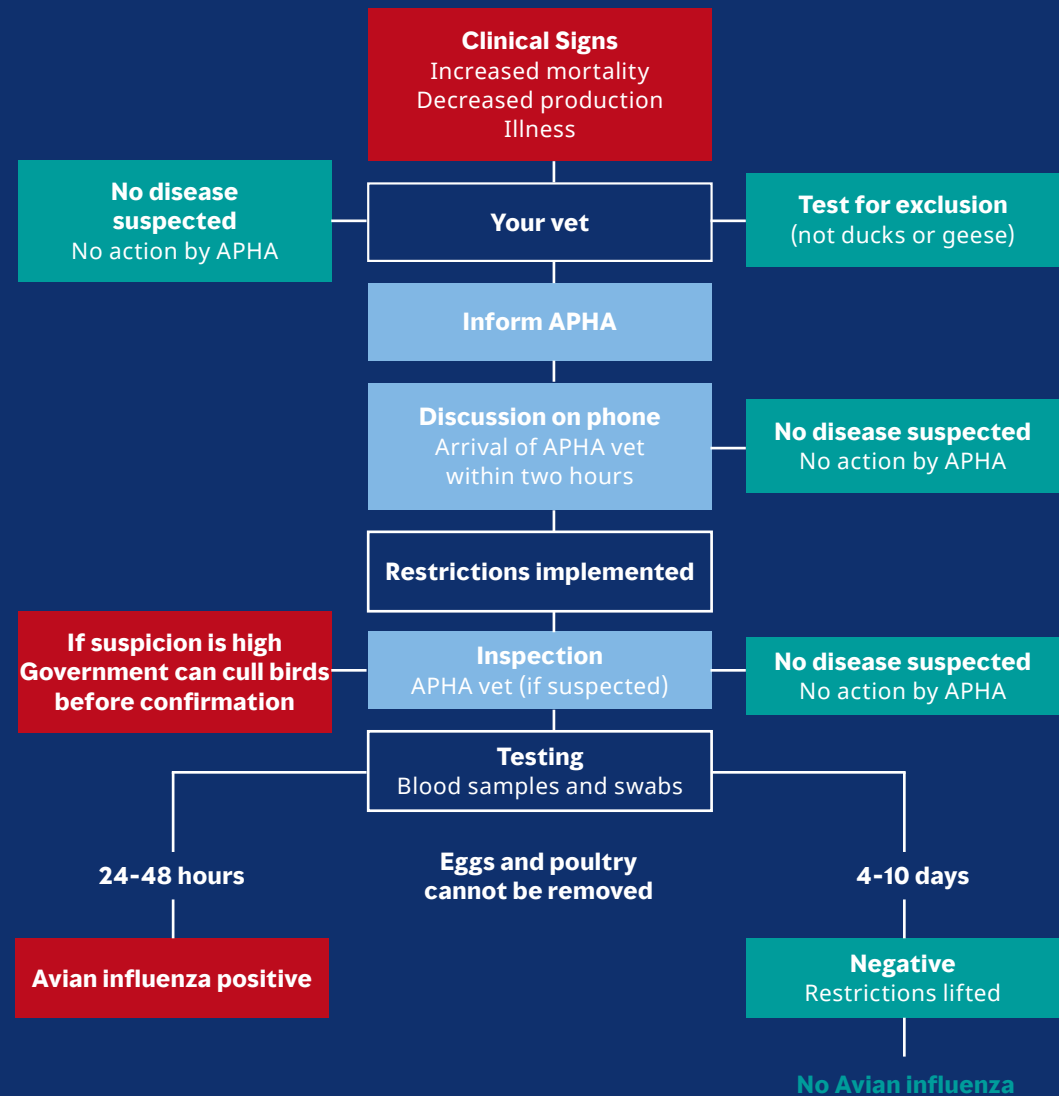
Once you have decided on this course of action, you have a 10 day "cooling off" period but after that you cannot change your mind.

This option will prevent you from restocking with livestock for 12 months.

How to manage an outbreak

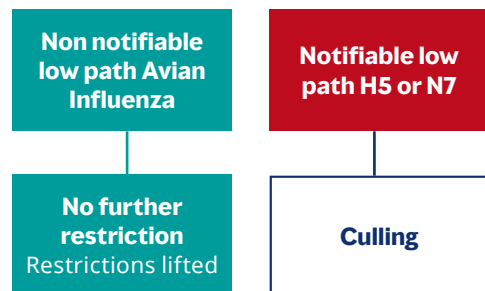
You've done everything you can to prevent an outbreak, but you can never be 100% sure that one won't happen. So it's always wise to know what will happen in the event of an outbreak and who is responsible for what at each stage.

What happens and when?

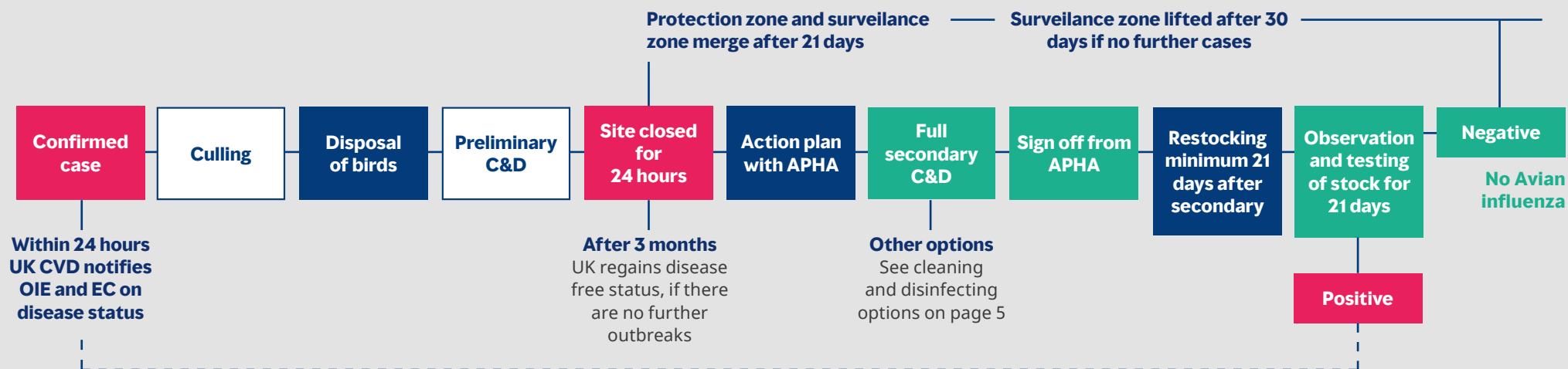


The procedure explained

Low path positive



High path positive



The rise of robotics and automation

It's safe to say that it's sometimes hard to find people willing to take on certain less pleasant tasks on poultry farms.

Robotics can offer poultry producers a way to reduce reliance on labour, as well as improving environmental monitoring within sheds. For example, automated devices that patrol poultry units, keeping birds moving and measuring data at their level in real-time.

The reliance your business has on technology has probably grown in recent years. In parallel, the risks faced by businesses relying on technology and data has also increased.

Time for a fresh look at cyber

In 2021, a UK Government survey revealed that 39% of UK businesses reported cyber security breaches or attacks in the previous 12 months. But with just 43% of businesses taking out some form of cyber insurance policy, millions could be at risk.³ Are you?

Cyber liability insurance helps by:

Taking action - As soon as the insurer is notified of an incident, their cyber policy reacts, covering your liabilities on media, data security, viruses and hacking.

Rectification - Costs covered are further reaching than your initial liabilities. Customer notifications, credit monitoring and legal fees are also included.

Repairing the damage - In addition to hiring forensic to identify root causes, PR consultants can also be paid to mitigate damage to your brand.

The risks posed against your company will be completely different to another, so it's important to invest in cover which is suited to your business needs and that will support you in your recovery, should the worst happen.



Climate change / environmental impact

We are seeing even greater environmental liabilities being placed on businesses than before, with tougher directives throughout the EU, such as more stringent clean-up requirements.

For example, In 2007, the Environmental Liability Directive (ELD) came into effect throughout the EU⁴ and in 2015 the UK's Environmental Damage Regulations (EDR) came into force including three new sanctions:

Preventative remediation – action to avoid environmental loss.

Complimentary remediation – other action beyond clean-up to restore damage.

Compensatory remediation – additional works beyond complimentary remediation in more serious cases that can extend to include restoration of another site.⁵

While your farming operations may not have changed, your potential environmental liabilities may have increased. Not to mention the disruption to your business and potential financial, operational and reputational damage that environmental losses can bring.

The livestock sector accounts for 14.5% of global greenhouse gas (GHG) emissions. Increasing consumption of animal products, converting land to feed livestock, fertiliser usage and direct emissions from animal farming are driving these emissions. With 68% of all agricultural land used for animal production, what happens on this land has an enormous impact on the climate and the environment.⁶

In fact, ammonia emissions from livestock waste are a significant source of air pollution.⁶ A study by Valentina Ferrante, senior poultry researcher at the University of Milan, Italy, concluded that free-range hens on various outdoor runs should be rotated to reduce accumulation and the risk of nutrient losses. This is particularly important given the drive of the European Commission's Farm to Fork strategy to reduce ammonia emissions, as well as leaching and the runoff of nitrates to contaminate groundwater.⁷

4 | Environmental Liability Directive: A short overview, May 2013

5 | Legislation.gov.uk, Mar 2015

6 | European Policy Centre 'The farm to fork strategy and the inconvenient truth', May 2020

7 | Poultry World 'FreeBirds project advances organic production', edition 4 2021

How environmental impairment liability insurance can help

The most common consequences of an environmental impairment liability event are:

- business interruption – loss of profit
- statutory liabilities – first party clean-up costs
- third party clean-up costs – biodiversity damage
- tort liabilities – bodily injury, property damage, trespass, nuisance or obstruction
- legal costs
- reputational damage

Environmental impairment liability insurance can provide you with financial support to tackle these issues. Used in conjunction with a well thought out environmental management plan, it can help mitigate against future losses and protect you and your business. It can also provide a cost effective means of transferring exposure, removing the potential costs from your balance sheet.

What should you consider in your environmental risk management plan?

The areas to consider for environmental incidents when drawing up your plans are:

- Look where your exposures are: is there a water course nearby? Are you close to third party property? Are there any footpaths nearby?
- Make sure all measures are put in to place to protect you – for example positioning of bunding and drainage systems to divert flow away from potential hazards; full surveys of site to ensure no habitat destruction; and any environmental agency information or input to be gained.
- Do you have a disaster recovery plan, including a spill response strategy, in place?
- How quickly can the Environmental Agency, experts and specialists be mobilised where necessary?
- Develop a management plan for the days, weeks and months following an incident.



Social impact

Speaking at the Pig and Poultry Forum, retailer Morrisons, said that consumer demands were changing, with growing concerns about climate change and protecting biodiversity, alongside ensuring animal welfare and supporting British farming.

So it was all about finding the right balance and giving consumers a choice.⁸

Despite the industry's steps to improve animal welfare and environmental impact, you may find yourself the victim of an animal rights activist (ARA) group. We would suggest creating an emergency action plan on how to deal with.





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