

**Health and Harmony: The Future for Food, Farming and the Environment, Defra  
Command Paper 27 Feb 2018.**

**Consultation response from Shropshire Hills AONB Partnership**

**4<sup>th</sup> May 2018**

[Questions we are addressing are in yellow. Our responses are in bold].

The Shropshire Hills AONB Partnership welcomes the opportunity to input into this consultation. This response has been informed by input from the Partnership Joint Advisory Committee and discussion with our partner organisations.

2. Reform within the CAP

Please rank the following ideas for simplification of the current CAP, indicating the three options which are most appealing to you:

- a) Develop further simplified packages
- b) Simplify the application form
- c) Expand the online offer
- d) Reduce evidence requirements in the rest of the scheme

1. **b) Simplify the application form**
2. **d) Reduce evidence requirements in the rest of the scheme**
3. **a) Develop further simplified packages**

How can we improve the delivery of the current Countryside Stewardship scheme and increase uptake by farmers and land managers to help achieve valuable environmental outcomes?

**Uptake of schemes, and the most valuable environmental options within them, can be significantly enhanced by the provision of advice and support to farmers by skilled advisers with local knowledge. This costs money to provide, but in target areas, this is justified for the outcomes secured.**

**Countryside Stewardship schemes should deliver strategic biodiversity needs – including designated sites. Some agreements have in recent past failed to protect the most valuable ecological assets on the farm, even sites of the highest importance such as SACs. The same is true for heritage features – not one of the Scheduled Monument sections of Offa’s Dyke within the Shropshire Hills AONB is in favourable condition. A lack of active management, or ‘benign neglect’ accounts for the top five threat types to the monument (source – draft Conservation Management Plan for Offa’s Dyke, 2018). Much of this land however is in agri-environment schemes. To help address this, within AONBs, the AONB Management Plan should be a guide to appropriate options.**

**The classification sometimes of environmental features such as riparian buffer strips as ‘Permanently Ineligible Features’ affecting a farmer’s BPS payments is a perverse incentive against other forms of public funding, which should be resolved.**

3. An ‘agricultural transition’

What is the best way of applying reductions to Direct Payments? Please select your preferred option from the following:

- a) Apply progressive reductions, with higher percentage reductions applied to amounts in higher payment bands \*
  - b) Apply a cap to the largest payments
  - c) Other (please specify)
- \* please provide views on the payment bands and percentage reductions we should apply.

What conditions should be attached to Direct Payments during the 'agricultural transition'? Please select your preferred options from the following:

- a) Retain and simplify the current requirements by removing all of the greening rules
- b) Retain and simplify cross compliance rules and their enforcement
- c) Make payments to current recipients, who are allowed to leave the land, using the payment to help them do so
- d) Other (please specify)

**Option b) preferred - Retain and simplify cross compliance rules and their enforcement. Some of these requirements go beyond statutory minimums, and removing them would lower basic environmental standards.**

**The use of option c), apparently to encourage restructuring in the industry, would need to be carefully evaluated and justified on grounds of public benefit. Where potentially paying people not to farm, this appears questionable.**

What are the factors that should drive the profile for reducing Direct Payments during the 'agricultural transition'?

**Reduce payments to larger holdings first. There is a case for reducing payments earlier for holdings delivering less public benefit, but this would require a robust assessment process which may be too difficult and costly to achieve in practice.**

How long should the 'agricultural transition' period be?

**Probably 3 – 5 years, though there may be a case for a longer period for the uplands.**

#### 4. A successful future for farming

##### 4.1 Farming excellence and profitability

How can we improve the take-up of knowledge and advice by farmers and land managers? Please rank your top three options by order of preference:

- a) Encouraging benchmarking and farmer-to-farmer learning
- b) Working with industry to improve standards and coordination
- c) Better access to skills providers and resources
- d) Developing formal incentives to encourage training and career development
- e) Making Continuing Professional Development (CPD) a condition of any future grants or loans
- f) Other (please specify)

**1. e) Making Continuing Professional Development (CPD) a condition of any future grants or loans**

**2. b) Working with industry to improve standards and coordination**

**3. c) Better access to skills providers and resources. This should include one to one advice from advisers who can become known and trusted in an area. This has been proven to be a major factor.**

**There are examples of where farmer to farmer learning has worked, but there are some potential barriers to this.**

What are the main barriers to new capital investment that can boost profitability and improve animal and plant health on-farm? Please rank your top three options by order of the biggest issues:

- a) Insufficient access to support and advice
- b) Uncertainty about the future and where to target new investment
- c) Difficulties with securing finance from private lenders
- d) Investments in buildings, innovation or new equipment are prohibitively expensive
- e) Underlying profitability of the business
- f) 'Social' issues (such as lack of succession or security of tenure)
- g) Other (please specify)

What are the most effective ways to support new entrants and encourage more young people into a career in farming and land management?

Does existing tenancy law present barriers to new entrants, productivity and investment?

#### 4.2 Agricultural technology and research

What are the priority research topics that industry and government should focus on to drive improvements in productivity and resource efficiency? Please rank your top three options by order of importance:

- a) Plant and animal breeding and genetics
- b) Crop and livestock health and animal welfare
- c) Data driven smart and precision agriculture
- d) Managing resources sustainably, including agro-chemicals
- e) Improving environmental performance, including soil health
- f) Safety and trust in the supply chain
- g) Other (please specify)

How can industry and government put farmers in the driving seat to ensure that agricultural R&D delivers what they need? Please rank your top three options by order of importance:

- a) Encouraging a stronger focus on near-market applied agricultural R&D
- b) Bringing groups of farms together in research syndicates to deliver practical solutions
- c) Accelerating the 'proof of concept' testing of novel approaches to agricultural constraints
- d) Giving the farming industry a greater say in setting the strategic direction for research funding
- e) Other (please specify)

What are the main barriers to adopting new technology and ideas on-farm, and how can we overcome them?

#### 4.3 Labour: a skilled workforce

What are the priority skills gaps across UK agriculture? Please rank your top three options by order of importance:

- a) Business / financial
- b) Risk management
- c) Leadership
- d) Engineering
- e) Manufacturing
- f) Research
- g) Other (please specify)

What can industry do to help make agriculture and land management a great career choice?

How can government support industry to build the resilience of the agricultural sector to meet labour demand?

### 5. Public money for public goods

Which of the environmental outcomes listed below do you consider to be the most important public goods that government should support? Please rank your top three options by order of importance:

- a) Improved soil health
- b) Improved water quality
- c) Better air quality
- d) Increased biodiversity
- e) Climate change mitigation
- f) Enhanced beauty, heritage and engagement with the natural environment

**All of the six options are important and should be supported by public funding. The local relevance and possibilities for improving each may vary, but all are important and choosing three only would omit important things. It is an important ecological principle that aspects of the environment are inter-linked.**

Of the other options listed below, which do you consider to be the most important public goods that government should support? Please rank your top three options by order of importance:

- a) World-class animal welfare
- b) High animal health standards
- c) Protection of crops, tree, plant and bee health
- d) Improved productivity and competitiveness
- e) Preserving rural resilience and traditional farming and landscapes in the uplands
- f) Public access to the countryside

- 1. e) Preserving rural resilience and traditional farming and landscapes in the uplands**
- 2. c) Protection of crops, tree, plant and bee health**
- 3. f) Public access to the countryside**

Are there any other public goods which you think the government should support?

- **Natural flood management and water attenuation**

- **Historic environment and cultural heritage assets**
- **Opportunities for education, especially for young people**
- **Health and wellbeing benefits of the countryside and outdoors**
- **Food production, though vitally important to society and the primary function of farming, is not in itself a public good, as it is rewarded through the market, like other vital commodities including energy, water and fuel. There is a case however that the provision of healthy food, including for example freedom from pesticides and additives, is a public benefit which may not be adequately incentivised by the market and may justify government support.**
- **Water quality needs greater attention to measures to improve it 'at source', which often are cheaper than 'end of pipe' solutions and deliver other benefits, such as to wildlife.**

## 6. Enhancing our environment

From the list below, please select which outcomes would be best achieved by incentivising action across a number of farms or other land parcels in a future environmental land management system:

- Recreation
- Water quality
- Flood mitigation
- Habitat restoration
- Species recovery
- Soil quality
- Cultural heritage
- Carbon sequestration and greenhouse gas reduction
- Air quality
- Woodlands and forestry
- Other (please specify)

**The following are particularly relevant to collaborative working across farms:**

- Habitat restoration**
- Flood mitigation**
- Water quality**
- Recreation**
- Woodlands and forestry**
- Other – control of invasive non-native species, and action to safeguard and enhance populations of pollinators**

What role should outcome based payments have in a new environmental land management system?

**Outcome based payments should play a significant role in a new environmental land management system. They have the potential to deliver better public benefits and**

**better value for money. They also have the significant advantage of valuing the practical knowledge of farmers and land managers by passing on to them much of the responsibility for how a particular outcome is delivered. This helps to engage farmers with the work and reduces the need for very detailed prescriptive handbooks, as well as allowing for a tailoring to local circumstances.**

**Outcomes used to judge payments need to be those within control of the land manager e.g. achieving a specified habitat condition such as % heather cover or sward height at end of season. For outcomes such as species populations, there may be many other factors beyond the control of the land manager.**

**How can an approach to a new environmental land management system be developed that balances national and local priorities for environmental outcomes?**

**We held a Shropshire Hills Uplands Forum meeting in February 2017 with farmers and other interested parties. One suggestion from this was having a national consistent basic framework for new schemes, which then has the potential for local targeting and focus. Both were felt to be important – some national consistency so that schemes around the country are not totally different, but also the ability to be locally tailored.**

**AONB Management Plans should be used as a strong guide for targeting new schemes.**

**There is a case for seeking to connect better environmental measures and grants with the main agricultural enterprises of the farm, e.g. in a whole farm plan, not just a whole farm environment plan - which may be seen as peripheral to the business. This may be challenging in practice but would probably be very worthwhile.**

**How can farmers and land managers work together or with third parties to deliver environmental outcomes?**

**Working together in this way can greatly increase the effectiveness of environmental outcomes, but it can take more time for farmers and land managers. Our work has again and again shown the value of good personal relationships, which are often considerably enhanced by effective facilitation seeking to build on areas of agreement. Consistency of personnel in organisations dealing with farmers is a major advantage, but is less common nowadays. Our work has also shown that there is a great value in support and advice to farmers and landowners in preparation for entry to schemes. This can greatly increase the environmental outcomes. It is a role which AONB teams are often well placed to deliver, though this isn't possible from within normal core resources and would require funding.**

## 7. Fulfilling our responsibility to animals

Do you think there is a strong case for government funding pilots and other schemes which incentivise and deliver improved welfare?

Should government set further standards to ensure greater consistency and understanding of welfare information at the point of purchase? Please indicate a single preference of the below options:

- a) Yes
- b) Yes, as long as it does not present an unreasonable burden to farmers
- c) Perhaps in some areas
- d) No, it should be up to retailers and consumers
- e) Other (please specify)

\*if you answered 'perhaps in some areas', please elaborate.

What type of action do you feel is most likely to have the biggest impact on improving animal health on farms? Please rank your top three choices from the below list, in order of importance:

- a) Use of regulation to ensure action is taken
- b) Use of financial incentives to support action
- c) Supporting vets to provide targeted animal health advice on farm
- d) Making it easier for retailers and other parts of the supply chain to recognise and reward higher standards of animal health
- e) An industry body with responsibility for promoting animal health
- f) Research and knowledge exchange
- g) Transparent and easily accessible data
- h) An understanding of animal health standards on comparable farms
- i) Other (please specify)
- j) N/A – Cannot rank as they are all equally important.

How can the government best support industry to develop an ambitious plan to tackle endemic diseases and drive up animal health standards?

#### 8. Supporting rural communities and remote farming

How should farming, land management and rural communities continue to be supported to deliver environmental, social and cultural benefits in the uplands?

**The uplands deliver public benefits disproportionately and are also the place where farming and rural businesses are often the most marginal. There is a real need for upland land managers to be supported financially for a range of public benefits in addition to food production, and gradually to shift their perception of what their 'products' are. These need to include more aspects of natural capital such as landscape, wildlife, carbon storage, water, soil etc, which have previously been 'by-products' of production focused farming, but are too important to leave to chance in that way. This is a big change, to which there are real barriers including perceptions of going 'backwards'. It will take time but represents the only really sustainable option for the uplands. Again there is a need for resourcing facilitation and advice to help the transition.**

**The high previous uptake of agri-environment schemes in many upland areas is a foundation on which to build this shift. However, in our area uptake peaked some years ago and has been coming down due to lower attractiveness and complexity of the newer schemes, as well as uncertainty about the future. There is a very big issue in the uplands with the large number of agri-environment agreement expiries approaching, and many farmers are holding off applying to schemes now. Steps need to be taken to try to keep farmers within agri-environment schemes in the immediate future and**

through the transition period. The option of transferring from current schemes into new ones when they arise would help with this, but the option to extend HLS agreements may also be necessary. Not only is the continuity of engagement with environmental schemes important, but they can also provide a vital assured income stream over a reasonable period of years which is unaffected by commodity prices and therefore helps protect from volatility. With the economic projections of the effects of Brexit on sheep farming especially, this will be of vital importance to ensure viability of some upland farms through the transition period.

There are a number of challenges facing rural communities and businesses. Please rank your top three options by order of importance:

- a) Broadband coverage
- b) Mobile phone coverage
- c) Access to finance
- d) Affordable housing
- e) Availability of suitable business accommodation
- f) Access to skilled labour
- g) Transport connectivity
- h) Other, please specify

1. g) Transport – not necessarily ‘connectivity’, but cost and availability
2. a) Broadband coverage
3. d) Affordable housing – especially in rural towns, though in deeper rural areas available properties can sometimes be harder to let due to transport limitations.  
A fourth would be mobile phone coverage.

With reference to the way you have ranked your answer to the previous question, what should government do to address the challenges faced by rural communities and businesses post-EU Exit?

When the Commission for Rural Communities was operating, these issues were kept high on the agenda through visible and well informed publications and activity. Though many of these issues are still pursued by government, there appears to be less integration of them as rural issues, and along with farming and environmental matters. Especially with the loss of European funding including LEADER, rural development issues require attention and funding from government, in cross-sector, integrated way. A suitable replacement programme for LEADER should be put in place to address local rural development priorities in a ‘bottom-up’ way.

#### 9. Changing regulatory culture

How can we improve inspections for environmental, animal health and welfare standards? Please indicate any of your preferred options below.

- a) Greater use of risk-based targeting
- b) Greater use of earned recognition, for instance for membership of assurance schemes
- c) Increased remote sensing
- d) Increased options for self-reporting
- e) Better data sharing amongst government agencies

f) Other (please specify)

1. a) Greater use of risk-based targeting
2. b) Greater use of earned recognition, for instance for membership of assurance schemes

Which parts of the regulatory baseline could be improved, and how?

Some aspects are very open to interpretation, e.g. what constitutes poaching alongside watercourses. This can make a big difference where grants or projects may wish to support action but cannot or should not pay for things which are required by law.

How can we deliver a more targeted and proportionate enforcement system?

Regulations can make little difference if never enforced. A few very targeted cases of enforcement in the most significant cases can go a long way to creating a wide incentive for compliance. In our experience a few well-justified enforcement cases can be welcomed by other farmers, who may see someone flouting rules as 'getting away with it', and/or giving the industry a bad name.

Cross-compliance under the CAP-based Basic Payment Scheme will go, and the Good Agricultural and Environmental Conditions (GAECs) within these go beyond the statutory requirements which will remain. If there is not to be a weakening of standards, some cross-compliance conditions for new funding streams will need to be put in place.

#### 10. Risk Management and resilience

What factors most affect farm businesses' decisions on whether to buy agricultural insurance?

Please rank your top three options by order of importance:

- a) Desire to protect themselves from general risks (e.g. – revenue protection)
- b) Desire to protect themselves from specific risks (e.g. – flooding, pests or disease)
- c) Provision of government compensation for some risks
- d) Cost of insurance
- e) Complexity and administrative burden of insurance
- f) Availability of relevant insurance products
- g) Other (please specify)

What additional skills, data and tools would help better manage volatility in agricultural production and revenues for (a) farm businesses and (b) insurance providers?

How can current arrangements for managing market crises and providing crisis support be improved?

#### 11. Protecting crop, tree, plant and bee health

Where there are insufficient commercial drivers, how far do you agree or disagree that government should play a role in supporting:

- a) Industry, woodland owners and others to respond collaboratively and swiftly to outbreaks of priority pests and diseases in trees?

b) Landscape recovery following pest and disease outbreaks, and the development of more resilient trees?

c) The development of a bio-secure supply chain across the forestry, horticulture and beekeeping sectors?

**It is possible to see a valuable role for government in these areas, as commercial drivers may well not be present for all the desirable activity. The consequences of pest and disease outbreaks can be significant and long-lasting and public spending in this area is justified. Action may be needed including in relation to species which may be of low commercial value but still have vital ecological significance e.g. alder helps to bind and stabilise river banks and is badly affected by *Phytophthora*.**

Where there are insufficient commercial drivers, what role should government play in:

a) Supporting industry, woodland owners and others to respond collaboratively and swiftly to outbreaks of priority pests and diseases in trees?

b) Promoting landscape recovery following pest and disease outbreaks, and the development of more resilient trees?

What support, if any, can the government offer to promote the development of a bio-secure supply chain across the forestry, horticulture and beekeeping sectors?

## 12. Ensuring fairness in the supply chain

How can we improve transparency and relationships across the food supply chain? Please rank your top three options by order of importance:

a) Promoting Producer Organisations and other formal structures?

b) Introducing statutory codes of conduct?

c) Improving the provision of data on volumes, stocks and prices etc.?

d) Other (please specify)?

What are the biggest barriers to collaboration amongst farmers?

What are the most important benefits that collaboration between farmers and other parts of the supply chain can bring? How could government help to enable this?

## 13. Devolution: maintaining cohesion and flexibility

With reference to the principles set out by JMC(EN) above, what are the agriculture and land management policy areas where a common approach across the UK is necessary?

What are the likely impacts on cross-border farms if each administration can tailor its own agriculture and land management policy?

**This may result in different arrangements for different parts of the same farm. Measures should be put in place if possible to reduce the disadvantages of this, e.g. the ability to include a small parcel of land in Wales in an English environmental land management scheme, if the main part of the holding entering the agreement is in England, or vice versa.**

## 14. International Trade

How far do you agree or disagree with the broad priorities set out in the trade chapter?

How can government and industry work together to open up new markets?

How can we best protect and promote our brand, remaining global leaders in environmental protection, food safety, and in standards of production and animal welfare?

#### 15. Legislation: The Agriculture Bill

How far do you agree with the proposed powers of the Agriculture Bill?

**The proposed powers would appear to be necessary to deliver policy objectives outlined in the consultation paper.**

What other measures might we need in the Agriculture Bill to achieve our objectives?

**There are no immediately obvious omissions.**