

## Greener UK/Wildlife and Countryside Link written submission to the Public Bill Committee on the Agriculture Bill

25 October 2018

### Summary

1. The Agriculture Bill represents an unprecedented opportunity to revitalise our countryside in a way that meets the needs of people, farming, food and the environment, for generations to come.
2. We welcome the overarching direction of the bill, particularly moving to a system of public payments for public goods, and ending subsidies based on the land area managed. But there remain some weaknesses that could undermine the ambition for long-term sustainable agriculture if they are not addressed.
3. To ensure the Agriculture Bill delivers on its potential, and meets the Government ambition of a cleaner greener countryside, the below amendments will be necessary in the bill:
  - a. A mechanism to secure long-term funding for farmers and land managers so that they can have confidence in the new system and have sufficient support to deliver the public goods we all depend on.
  - b. The introduction of a range of duties to ensure current ambition is acted on in the future. These should include a duty to have an environmental land management scheme, to bring forward targets and objectives for the achievement of the purposes in section 1(1)(a) to (g) and to ensure the protection and welfare of animals as sentient beings. There should also be a duty on Ministers to use the powers in Part 6 of the Bill to improve fairness in the supply chain.
  - c. Reflection of government policy that public goods are the primary reason for public intervention, ensuring any productivity payments should contribute to the delivery of these and in so doing provide certainty and stability for farmers.
  - d. The establishment of a strong regulatory baseline with clear enforcement mechanisms to secure essential protections, and underpin taxpayer's investment.
  - e. A requirement that those to whom functions are delegated relating to the giving of financial assistance are required to consult with all relevant stakeholders
  - f. Safeguards to ensure international trade deals won't undermine domestic standards and undercut farmers in future trade deals.

### Introduction

4. As we leave the EU it is vital that the Agriculture Bill passes to establish a new agriculture system which provides the certainty that farmers and

businesses need. In a sector that has to plan years in advance, any delay or deferment of the key decisions will negatively impact the whole farming industry and wider supply chain.

5. For years, many farmers have struggled within a food and farming system that delivers little profit for their produce and few incentives to deliver positive outcomes for the environment and animal welfare. The EU's Common Agricultural Policy (CAP) is widely regarded as inefficient and ineffective, by farmers and land managers, conservationists and economists alike. It has failed to invest in farmers' businesses or the environment upon which farming relies, despite soil quality, pollinator numbers and water quality all continuing to decline as a result of unsustainable land management. Without action, estimates suggest that some of our most fertile soils could be lost in less than 40 years.
6. The UK Government has stated that they intend to reform agriculture policies in England, with a particular focus on 'public money for public goods'. These are the goods and services that society needs farmers to provide but which cannot be paid for through the market, such as more wildlife, clean air and water, access to the countryside, high quality landscapes and carbon storage. Given that agriculture is the dominant land use in England, such reform will be crucial if the Government is to meet its objective to be the first generation to improve the natural environment and to deliver the requirements of the 25 Year Environment Plan. The Bill offers an opportunity to deliver these objectives, at the same time as providing farmers and land managers with a secure income stream.
7. We believe that, with our suggested amendments, the Bill could help strengthen farmers' businesses by properly paying them for the public services that they provide rather than paying for how much land they manage. Such services should include improving the environment and mitigating climate change and enhancing animal welfare, all of which ensure the long-term resilience of the UK's food and farming systems. We also support measures in the Bill which give ministers powers to act on the supply chain. These powers are essential to ensure that farmers receive fair market return for their produce alongside public goods payments.

### **Main aspects of the Agriculture Bill that Greener UK and Wildlife and Countryside Link support**

8. Greener UK and Wildlife and Countryside Link strongly support the following aspects of the Bill.
9. The scope of Clause 1. We believe that Clause 1(1) in the Bill is sufficiently broad to enable financial assistance to be provided in support of the public

goods that Government has identified as its priorities. These reflect the outcome of the 'Health and Harmony' consultation.

10. As well as the core purposes set out in Clause 1(1), financial assistance in these areas will provide significant benefits for other priorities. For example, supporting public access to a wildlife rich, beautiful countryside will improve physical and mental health and wellbeing. Providing support to improve soil health, and increasing the populations of pollinators and other beneficial insects will secure the natural capital that underpins long-term food security. Indeed, there is increasingly strong evidence to suggest that creating habitats such as wildflower margins alongside crops can have a net benefit on yield.
11. Defined transition. We support the clearly defined transition away from current direct payments outlined in Clause 5. This is essential if farmers are to be given the certainty that they need in order to plan for the future. Defra now need to provide more clarity on the policies that will be put in place during and after this transition, and also set out plans for how they will support farmers and land managers to adapt as policies and support arrangements change.
12. Supply chain transparency. We strongly support clauses in Part 6 of the Bill (Producer Organisations and Fairness in the Supply Chain) that provide Ministers with powers to improve transparency in the supply chain, and strengthen the position of farmers. These are essential to enable farmers to get a better market return for their produce, something which will be critical to the success of the Government's proposed policy reform. We support the amendments proposed by Sustain to strengthen these clauses.
13. Policy statement. Although not in the Bill, we welcome many of the proposals in the policy statement that accompanied the Bill, 'Health and Harmony: the future for food, farming and the environment in a Green Brexit - policy statement'. Specifically, we welcome the intention to place an environmental land management scheme at the centre of future policy based on public money for public goods, as well as the intent to maintain and improve regulatory standards, and improve animal welfare outcomes.

### **Greener UK and Wildlife and Countryside Link proposed amendments**

14. Although we welcome the Bill, there are key aspects where it can be improved.
15. As a long-term industry, farmers will need certainty over the funding available if they are to engage in a future policy with confidence. At present,

the Bill is silent on this key issue. Although multi-annual contracts with Government may provide a degree of certainty for individual farmers and land managers, certainty is also needed for the sector as a whole. This funding should also provide for good quality, consistent advice accessible to all farmers and land managers.

16. The Bill should include a mechanism to secure long-term funding for farmers and land managers so that they can have confidence in the new system and have sufficient support to deliver the public goods we all depend on. The Bill should therefore be amended to include a new clause that requires Ministers to report annually to Parliament on funding needs associated with delivering against the purposes outlined in Clause 1. This report should also outline the forecast budget to meet this need.
17. Funding for transport infrastructure, international aid and, most recently, social housing, have all been set and guaranteed beyond the lifetime of the current Parliament. If the Government is asking farmers to invest in a new scheme, it must follow this precedent and provide the certainty and security of long-term funding.
18. This amendment is also intended to give Parliamentarians the information that they need to adequately scrutinise where the Government of the day is providing sufficient resources to deliver against the purposes in Clause 1(1) of the Bill. This clause relates to commitment to base future support on the provision of public goods.
19. Although the Bill includes a wide range of powers, there are very few duties or requirements on ministers with regard to how these are used, or if they are used at all. This major flaw fails to reflect the ambitious policy prospectus set out by Government, or the urgent need for progress in developing future policies, and has been identified as a key issue by the House of Lords Delegated Powers and Regulatory Reform Committee.
20. To address this issue, we propose the introduction of a range of duties to ensure current ambition is acted on in the future. These should include a duty to have an environmental land management scheme, to bring forward targets and objectives for the achievement of the purposes in section 1(1)(a) to (g) and to ensure the protection and welfare of animals as sentient beings.
21. There should also be a duty on Ministers to use the powers in Part 6 of the Bill to improve fairness in the supply chain.
22. The Bill should reflect government policy that public goods are the primary reason for public intervention, and ensure any productivity payments

contribute to the delivery of these, and in so doing provide certainty and stability for farmers.

23. To ensure policy coherence in the future, Clause 1(2) should be amended to ensure that financial assistance under this clause also furthers, and does not undermine, the 'public good' purposes in Clause 1(1).
24. Examples of productivity investments that can deliver these 'win-wins' for the environment and food production include the creation of on farm wetlands that can provide habitats for wildlife and increase water availability for irrigation, or investments in infrastructure and equipment that can improve water quality and resource use efficiency, such as slurry injection equipment.
25. Although recognised as of crucial importance in the policy statement published by Defra alongside the Bill, the Agriculture Bill does not provide the necessary powers to secure a strong regulatory framework for farming and land management. Without a strong baseline of properly monitored and enforced regulatory standards, regardless of receipt of financial assistance, any public investment will be undermined.
26. The Bill should include powers to establish a strong regulatory baseline with clear enforcement mechanisms to secure essential protections, and underpin taxpayer's investment. Government should introduce an amendment to the Bill in the House of Lords after the ongoing Farm Inspection and Regulation Review reports in December 2018. This should ensure that future recipients of public money are penalised if they break the law, and that robust protections are in place to maintain standards regardless of whether a farmer or land manager receives public support.
27. The Bill should also include a requirement that those to whom functions are delegated relating to the giving of financial assistance are required to consult with all relevant stakeholders. In order to meet this need, and that set out in point (20) above, Clause 2 in the Bill should be amended to ensure that only those compliant with a range of environmental, food safety and animal welfare laws should be able to receive financial assistance. Clause 2(4) and (5) should be amended to require those to whom responsibilities are delegated under this Clause are required to consult with all relevant stakeholders.
28. Finally, the Bill should include crucial safeguards to ensure international trade deals don't undermine domestic standards and undercut farmers in the future. The import of poor quality produce with low animal welfare and environmental standards, poses a fundamental risk to UK agriculture. Without safeguards against artificially cheap, low quality food, insufficiently scrutinised international trade deals could undercut British farmers and

undermine domestic environmental progress in the UK by exporting degradation elsewhere, generating a race to the bottom in food production and safety standards. Ministers have already provided a range of assurances in this area, and the Agriculture Bill should legislate to provide the confidence that these assurances are meaningful.

29. The Agriculture Bill should be a crucial step forward in securing a future food and farming system that is better for people and the environment. It is however just a starting point. Addressing cross-cutting issues such as public health and rural development will need a much more comprehensive response from Government and businesses.
30. The Bill should therefore not be seen as the totality of government food and farming policy and we know that wider policies are still needed, particularly to address issues like healthy eating, food poverty and food security. Details of how these will be delivered are still needed, including via the proposed Food Strategy, Food and Farming Sector Deal, national action plans such as that for pesticides, and consideration of public procurement and on research and development in the sector.
31. The stepped transition aims to prevent a dangerous cliff-edge for farmers but it must be matched with advice and support for farmers to transition, and a commitment to sufficient long-term funding of the new system. Small farms are just as well-placed as larger farms to provide the goods that the Bill lists in Clause 1. Large farms are, however, more likely to have access to business planning resources and expert advice; the Bill must therefore include the provision of advice to help those smaller farms adapt to the new system. We also recognise that under the current system, certain farming sectors such as upland farmers are typically highly reliant on basic payments. Upland farmers are well-placed to deliver public goods such as enhancing biodiversity and landscapes, and managing upland streams to improve water quality and reduce flood risk but they will need dedicated help to transition to the new system.

For more information, please contact Paul McNamee, head of politics, Green Alliance:

e: [pmcnamee@green-alliance.org.uk](mailto:pmcnamee@green-alliance.org.uk)

t: 02076304527

m: 07738 585 103

Greener UK is a coalition of 13 major environmental organisations united in the belief that leaving the EU is a pivotal moment to restore and enhance the UK's environment.

Greener UK is working in partnership with Wildlife and Countryside Link.

Together, Greener UK and Wildlife and Countryside Link members have the support of over eight million people.



## GREENER UK

