

Written evidence submitted by Wildlife and Countryside Link ¹ to Environment, Food and Rural Affairs
Committee: Environmental Land Management and the Agricultural Transition
January 2021

Introduction

1. Farmers and land managers play a pivotal role in determining the health of England's natural and historic environment and the wellbeing of all of us who depend on it. Far from solely being food producers, they are also uniquely placed to deliver on many of the Government's objectives such as those in the 25 Year Environment Plan (25YEP), Net Zero, the ambition to protect 30% of land and sea by 2030 (30x30) and other environmental and social objectives.
2. A framework to pay land managers public goods for public money is now established into law under the Agriculture Act 2020. Defra have communicated the general direction of travel under the Agricultural Transition Plan (ATP) and their Policy Discussion Document (PDD) on Environmental Land Management (ELM).
3. What is needed now is a strong and concerted effort from Defra to set out clearly, and with sufficient detail, what sustainable farming and land management looks like in England, and to set out the metrics by which they will evaluate this. This does not mean being prescriptive about what every farm will look like in future; it does mean clarity on the "new normal" for farming, with higher regulatory standards across the board, more effective and fairer enforcement, and Environmental Land Management payments that reward land managers for going above and beyond expectations. This means setting out how ELM and other policy interventions will deliver that, to give farmers and land managers clear parameters under which to plan for their businesses.
4. Ambitious and strong regulation is now also needed to create a level playing field, and to shift the baseline of environmental standards upward so that the sector can play the role of delivering on Government objectives, restoring and safeguarding nature and farm businesses well into the future. This must be underpinned by fair and robust enforcement mechanisms.

The agricultural transition

1. There is a need for an urgent and well-managed transition toward sustainable farming. Farming is the biggest driver of biodiversity decline across the UK - the farmland bird index has declined by 56% since 1970, whilst the populations of priority species overall have declined by 33% in the same time frame. Soil degradation in England and Wales costs £1.2 billion per year and poor agricultural practices are responsible for the greatest number of water bodies failing to meet minimum standards. Agriculture also accounts for a tenth of all UK greenhouse gas emissions.
2. While the timeframe is appropriate, more work needs to be done on managing the transition. The ATP provides a general roadmap for farmers, but it fails to set out a compelling direction of travel toward

¹ Wildlife and Countryside Link is the largest environment and wildlife coalition in England, bringing together 58 organisations to use their strong joint voice for the protection of nature. Our members campaign to conserve, enhance and access our landscapes, animals, plants, habitats, rivers and seas. Together we have the support of over eight million people in the UK and directly protect over 750,000 hectares of land and 800 miles of coastline.

public goods delivery. A concerted effort is needed to promote the environmental and social benefits that a future ELM and FFCP will deliver, including value for money for the public, as well as resilient and healthy businesses for farmers and non-farming land managers. It should also give more clarity about the “end point” of the transition period, and a clear trajectory for raising regulatory standards, so that farmers can plan confidently for the future.

3. Clarity on funding and support in the interim is also needed. For instance, budgetary allocation toward ‘environmental and animal welfare outcomes’ will gradually increase from 23% of total land management funding in 2021/2022 to 57% in 2024/2025, but a full breakdown of this budget, with clearer guidance on opportunities during the transition would give land managers certainty over the future and time to plan positively for how the new support scheme will influence what they do on their land and for their businesses.
4. There is a risk that without direction and vision, land managers could turn to other forms of income which are environmentally harmful. For instance, some have been considering ploughing up their grasslands in 2021 to be eligible for arable payments, to make up for loss of Direct Payments². Others have been increasing stocking densities. This can be avoided if the various support mechanisms announced in the ATP work together to provide a clear offer to land managers both financial and non-financial.
5. Land management businesses should be beginning to deliver toward Government objectives over the transition; the climate and ecological emergency cannot wait another four years for work to begin in earnest. For example:
 - a. Water quality: Environment Agency data shows that 0% of rivers, lakes and streams in England are in good health, with none meeting good chemical standards and just 16% meeting good ecological standards. This should be addressed through strengthened regulation and enforcement and incentives³.
 - b. Tree planting: in the 19/20 tree planting season only 2,340 ha of woodland were created. This is a very small contribution to the Government's ambition to create 30,000ha per annum across UK. While ELM and agriculture transition mechanisms will not be the only means of delivering on these targets, agroforestry schemes, for example, offer a way to reconcile this requirement to contribute to tree planting using strategic planting that considers other habitats, specifically grasslands. This can be done over the transition through a support for agroforestry in CS schemes, SFI pilots and SFI roll-out in 2022.

The Sustainable Farming Incentive and support during the transition

6. The Sustainable Farming Incentive (SFI) **is not a socio-economic support mechanism** and should not become one. It is a mechanism for rewarding farmers for the delivery of public goods such as improved soil health, wildflower-rich grassland, habitat creation, management of archaeological sites and improved public access. It is important that low/no added value options are not included in the SFI as

² Given that only 1% of species-rich grasslands remain in England, this would cause significant and irreparable damage to an important ecosystem.

³ https://www.wcl.org.uk/docs/WCL_Farming%20Rules%20for%20Water%20Regulatory%20Review_Response_25_01_21.pdf

a proxy income support. This could easily use up a large proportion of land management payments and leave limited funding available for more environmentally positive options.

7. On the other hand, payments through the SFI, local environmental improvement, and landscape scale interventions should be calibrated to reward bold environmental action in a way that makes environmental land management a sensible, profitable business proposition, including in areas like the uplands where profit margins can be at their tightest.
8. We support the Government's phased approach to BPS reductions which are coupled with additional support during the Agricultural Transition Period. These must be fit-for-purpose to facilitate a fair transition to ELM before 2024.
9. **Countryside Stewardship (CS)** is crucial for recruiting farmers and other land managers in the early stages of the transition to adopt practices that benefit nature, heritage and people, and enhance assets that will help to create thriving and resilient businesses in the long-term. Increased funding available for CS coupled with improvement and simplification as well as outreach and training are essential to ensure the scheme is attractive as an early option for those losing BPS payments, and others not yet part of any agri-environment schemes.
10. **Improving Farm prosperity and resilience:** Funding in this area should enable farmers and land managers to start or continue the process of restoring and rewilding ecosystems and natural assets on their land. Farm prosperity funds are only 9-10% of the overall FFCP budget allocation during the transition, but will be crucial in creating buy-in and preparedness for farmers and other land managers before 2024. It is vital that the budget is not spent solely on boosting productivity with expensive technologies and equipment, which will only contribute to preparedness amongst farmers and other land managers for a public goods approach if coupled with advice, training and incentives to incorporate 'low-tech' or more traditional farm husbandry practices⁴.
11. Increased investment into **innovation, research and development** should support well established farmer-led innovation and research into sustainable practices which benefit the environment and people. Resources must, in the words of George Eustice, be aimed at "combining the best modern technology with the rediscovery of the traditional art of good farm husbandry" to enrich the evidence-base and bring land managers on board with high animal welfare standards and environmentally positive activities.⁵ Defra should ensure that 'whole farm' approaches to innovation/research are given proper emphasis such as agroecological, agroforestry, organic, and conservation agriculture. This would require the re-establishment of demonstration farms and monitoring multiple outcomes.⁶
12. Support during the transition should improve compliance, where the availability of investment is a significant barrier and should address the negative externalities which are not well covered by the existing regulatory framework. This kind of provision for reaching basic compliance must be strictly time-bound and attached to a commitment from Government to improve regulatory compliance whilst filling existing regulatory gaps. We welcome the introduction of a Slurry Investment Scheme

⁴ <https://www.gov.uk/government/speeches/path-to-sustainable-farming>

⁵ <https://www.gov.uk/government/speeches/path-to-sustainable-farming>

⁶ [FOE report](#)

as part of this.

13. When the **SFI is rolled out in full**, it should deliver public goods which go beyond the regulatory baseline, providing value for money for public support. For example, by supporting uptake of new practices such as Integrated Pest Management and agroforestry, which have not been supported by previous schemes and which will deliver a range of public goods. The scheme should incentivise more sustainable farming practices, but over time once a certain level of attainment has been reached across the sector, some elements of the SFI (i.e. introductory components) should cease to be funded and instead become part of the new regulatory and/or good practice baseline.

Stakeholder engagement

14. Stakeholder engagement and transparency has improved significantly since 2018 and we congratulate Defra on this. We are glad to see that a broad range of stakeholders are being consulted and welcome aspects of Government plans for 'co-design' which allows for more continuous evaluation and adaptation of policies.
15. However, smaller expert stakeholders have had difficulty engaging with Defra on ELM, which must be addressed. Co-design must not come at the expense of meaningful engagement across the board, including formal public consultation, to allow for the broadest engagement on planned land management policies. We would also urge Defra to communicate their policy proposals further in advance, to allow stakeholders enough time to fully and properly assess them before giving feedback.
16. Public and open communication on ELM plans (such as scheme design) must take place at an early stage to encourage stakeholder engagement, which to-date has not been the case. We welcome Defra's proposed engagement on the ground with land managers at this stage, as this will facilitate buy-in and clarity. Publishing further, more granular detail on transitional arrangements is still needed to encourage uptake and avoid possible intensification as an unintended consequence.

Making ELM an attractive business choice for farmers and land managers while effectively delivering its policy goals

17. Environmental degradation such as the soil depletion and compaction, climate change, poor water quality and the loss of farmland species and habitats (such as floodplain meadows) that provide significant ecosystem services all pose fundamental risks to the viability of farming and other land management businesses. ELM can help farmers address these risks as well as being a landmark policy in driving nature's recovery in England, which will create future-fit land management businesses. Public goods such as improved soil health, climate change mitigation, water quality, public access and heritage are all beneficial assets for land managers must be maintained and enhanced as part of ELM. To deliver on this, ELM must incorporate several elements which will make it a useful and viable scheme for farming and land management businesses on the ground.
18. **Payment rates that provide a sufficient incentive to participate:** Payment rates need to be sufficient to ensure farmers participate, as opposed to endeavouring to maintain their income through intensifying or increasing production. Defra should ensure payments rates are sufficient to achieve levels of uptake required meet environmental need.
19. **A low minimum threshold:** BPS is not available to those with less than 5ha, to reflect the costs of monitoring EU control and verification requirements. As a result, many small holders and others who farm on a smaller area such as horticulturalists are excluded notwithstanding the significant

environmental benefits they provide. Now the control and verification rules no longer apply, a lower threshold should be applied.

20. **Advice, support and guidance:** these are key elements in any land management scheme and provide a non-financial incentive for land management businesses to sign up to aspects of the ELM scheme. For instance, local advisors can help to develop land management plans with land managers for their business. These can provide options for practices in their business which are beneficial for environment and for people, which they will be financially supported to carry out.
21. **Fair contractual terms and compliance system.** ELM payments should be similar to a contract, rather than being framed as grants or subsidies. This will give businesses clarity on what they are being paid when and what the penalties are for non-compliance. This, coupled with continuous engagement from administrators will create trust in the scheme and improve outcomes and uptake. Administration must also be kept as simple as possible, to make processes easier for land managers but also to save costs for the taxpayer and free up more funding to pay for on-the-ground public goods delivery through ELM. Future funding must also be assured beyond 2024, to ensure that public goods delivery continues beyond this parliament and so that ELM can be fully realised.
22. As BPS is being phased out, cross-compliance will also need to be replaced. Land management businesses need a fair compliance system which is properly monitored and enforced in a proportionate manner, but which also does not reward land managers who are breaching regulation.
23. **The new ELM scheme should not crowd-out private investment.** ELM needs to be designed in a way maximise environmental outcomes whilst also delivering business benefits. It would therefore make sense to align or facilitate the blending of public and private finance across all three tiers, for which an appropriate legal agreements would be needed, alongside a new model of governance, the right basis for payments and an effective means to share risk. To avoid several undesirable outcomes if public and private funding were to be kept separate, it will be necessary to link up schemes early or at least create the necessary architecture for this to happen as soon as possible.

Environmental outcomes, reducing bureaucratic burdens and delivering value for money

24. At present, SFI standards for the pilot phase do not meet the level of ambition needed to achieve ambitions within the 25YEP, net zero, the protection of 30% of land and sea by 2030 among others. For instance, there are clear gaps emerging particularly on public access enhancements, heritage and whole-systems approaches. All three Components of ELM must be delivering on these, with clear plans for delivery and indicators for measuring their progress as soon as possible.
25. A clear set of **SMART objectives** should inform ELM design, delivery and allocation of budget towards priorities. For instance, spatial targeting along ecological networks would help achieve environmental outcomes and deliver value for money⁷. Coupled with the right advice and support, farmers and other land managers should be inspired by the possibility to achieve more with their land, and to be part of a wider vision to deliver a flourishing countryside and natural environment.

⁷ For instance using the B-Lines network to spatially target habitat creation for pollinators (and other wildlife): <https://buglife.org.uk/our-work/b-lines/>

26. ELM agreements across components must have tailored agreements to suit a range of different business models, and avoid being over-prescriptive and rigid, focussing on outcomes wherever possible. This flexibility and tailored approach would avoid harsh lines on maps or rigid computer systems which could lead to unhelpful or even damaging land management practices, which would reduce unnecessary burdens for farmers.
27. Quality advice, and an expert, responsive and well-resourced delivery body would also provide a convincing business offer to land managers. Advice and delivery bodies must have strong ecological expertise, as well as a good understanding of the needs and aspirations of local farmers and land managers, as well as the local community. This will enable land managers to make the right choices for their business and for their land that benefits the natural environment and people.
28. Government must view monitoring and evaluation throughout ELM as an investment, which is a crucial part of any farming and land management business. M&E can be expensive for individual land managers, but if facilitated through ELM could help inform and improve environmental outcome while saving money for land management businesses and indeed the nation.
29. A clear distinction between regulatory requirements and ELM payments is needed. Strong regulation and enforcement will be important to underpin ELM, and compliance should be a basic requirement for entry into the scheme, but the scheme should not pay for practices which are baseline requirements. We welcome Defra's initiative to work with farmers and land managers to design a system to replace cross-compliance that is fairer and more effective. Strong environmental regulation and enforcement should raise the baseline of standards across land management businesses while creating a level playing field.

Successes and failures from past schemes

30. The inclusion of the Farm Wildlife Package has been a success. This was a well-researched set of interventions to support farmland birds and common pollinators across lowland landscapes. Whilst this has benefited a range of species at the farm level, and provided a proof of concept for the package approach, it could be improved by being broadened out to include all six key actions recommended by the Farmland Wildlife Partnership⁸. Bespoke species targeting has also played a role in saving species most at risk from extinction⁹. A key benefit of these actions is that they combine environmental land management and sustainable agronomic practices, which could provide a robust basis for an effective, but accessible ELM SFI.
31. Uptake must be improved. Evidence suggests that at least 30% of farms by area would need to manage at least 10% of their land for nature to recover farmland wildlife. Higher Level Stewardship only

⁸ 1. Protect existing semi-natural habitats
2. Maximise the value of boundaries and margins
3. Enhance and create wet features, including ponds, streams, and ditches
4. Create flower-rich habitats, on at least 2% of the farm
5. Create seed-rich habitats, on at least 2% of the farm
6. In-field management, including progressive soil management and integrated pest management.

⁹ <https://naturebftb.co.uk/>

achieved an uptake of around 14%¹⁰. This was in part due to bureaucratic burden for land managers, which must be addressed in ELM early on. We commend Defra's efforts on this.

32. Agri-environment schemes have a proven history of effective delivery on landscapes and heritage. Entry Level Stewardship has contributed to keeping hedgerows under appropriate, active management. Monitoring of schemes has also consistently shown that measures aimed at protecting historic environment features do have a positive impact. Environmental land management schemes have provided also some limited support for permissive and educational access, with the government bringing to an end new permissive access agreements in 2010. This is despite strong evidence that increased access to the countryside provides health and social benefits, economic benefits¹¹ and allows the public to enjoy and better understand the natural and historic environment. ELM should incorporate access elements across all three Components. Cross-compliance has also played a part in maintaining access and heritage so must have an equally effective replacement.
33. Trees on farms (agroforestry, hedgerows, wood pasture) can deliver a wide range of public goods whilst supporting food production. However, many farmers associated trees and scrub with a loss of basic farm payment as was the case within CAP. This led to perverse outcomes on farmland, including the removal of naturally regenerating scrub, reduced protection for trees and a lack of incentive to expand tree cover. The Agricultural Transition period must be used to breakdown these psychological barriers by supporting farmers to plant and allow the natural regeneration of trees and scrub.

For questions or further info please contact:

Hannah Conway, Policy Officer, Wildlife and Countryside Link

T: 020 8078 3587 E: hannah@wcl.org.uk

This evidence is supported by the following Link members:

A Rocha

The Amphibian and Reptile Conservation Trust

Buglife

The British Mountaineering Council

Council for British Archaeology

CPRE the countryside charity

Floodplains and Meadows Partnership

Friends of the Earth

¹⁰ Sharps, E. et al (2019). Report to Natural England on ECM_52672: Predicting the extent of agri-environment provision needed to reverse population declines of farmland birds in England.

¹¹ Ian D Rotherham, David Egan and Helen Egan 2005, A Review of the Economic Value of Countryside Recreation and Sports, CCPR / Sport England

Rewilding Britain

The Ramblers

Plantlife

PTES

Mammal Society

National Trust

RSPB

The Wildlife Trusts

Woodland Trust