

What
next for

Farming?

A future policy for land in England:
investing in our natural assets



A Policy Briefing by The Wildlife Trusts, England



A healthy, wildlife-rich environment gives us:

- Clean air and water
- Nutritious food and drink
- A vibrant economy
- Places to walk, play and exercise
- Resilience to flooding and drought
- Reduced impacts of climate change



White Park cattle
at Brean Down in
Somerset



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Cover picture: sheep pasture near Hathersage, Peak District National Park, by Lee Beel

CHRISTOPHER FURLONG/GETTY, CORN BUNTING: ROBERT CANIS/FLPA

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A plan for land managers to deliver what society wants



It's time to **act**

Investing in our land and wildlife benefits everyone

A thriving natural environment is fundamental to the security of the economy and wellbeing of society, but it is under strain: pollinators and natural habitats are in decline; carbon is escaping from our exhausted soils and rather than holding water, our soils are washing into our rivers and flowing out to sea.

Farming policy and payments will change after the UK leaves the EU. We must use this unique moment to fix the problems we have created. We should invest in the restoration of our land and wildlife so that it can continue to provide us with all the things we need: sustainable and nutritious food, wildlife habitats, flood and drought management, clean water and air, carbon storage and places for us to enjoy.

How can we achieve this?

We need to put the health of our environment at the heart of our future land management policy.

This means changing the current system and designing a new government payment system for farming and land management that is based on environmental outcomes and public benefits.

How much public investment is needed?

To help our wildlife and environment recover we need to invest in our land and countryside, at a higher level than we currently are.

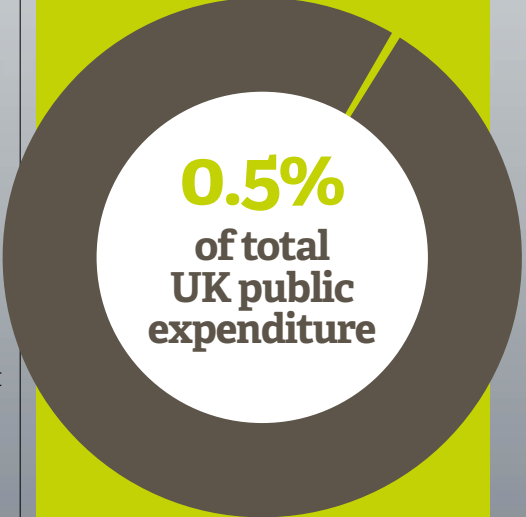
Just to stay still and meet current domestic and international environmental commitments the UK would need to invest £2.3 billion annually in its farmed environment - a fivefold increase when compared to existing agri-environment expenditure (£460m)¹. And this figure does not cover all of the urgent investment needed to re-instate lost habitats and secure nature's recovery.

Despite the pressure on the budget a financial commitment of at least £3bn is required, which represents less than 0.5% of total UK public expenditure. It is an upfront investment in our life support system, the underpinning of our

“ An upfront investment in our life support system ”

society and economy, and compares to government budgets of £144bn for health, £87bn for education and £37bn for defence². This total would need to be split between the component parts of the UK.

The cost of restoring nature



0.5%
of total
UK public
expenditure

Just £3bn a year to restore the natural systems that sustain us

This document proposes a new dawn for farming and land management in England

¹ Rayment, M. Assessing the costs of Environmental Land Management in the UK: A report for RSPB, National Trust and The Wildlife Trusts, 2017.
² Public Expenditure: Statistical Analyses, July 2017. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/630570/60243_PESA_Accessible.pdf



Research shows that being outdoors benefits physical and mental health



JOHN FERGUSON

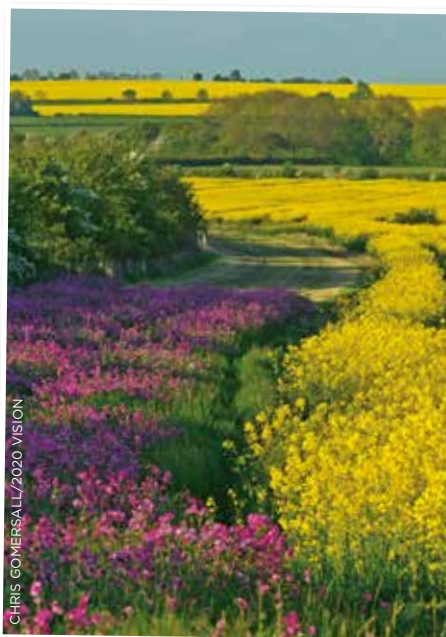
What would society gain?

Better health, cleaner water, reduced flooding, nature's recovery

With the right incentives and support, land managers in England can help:

- bring back the diversity and abundance of our wildlife, including pollinating insects
- restore and improve precious habitats like peatlands, meadows and heathlands
- clean up our polluted rivers, streams and lakes
- help keep floodwaters out of homes and businesses and stop our irreplaceable soils washing away into rivers and the sea

■ restore the natural fertility of our soils to help them store carbon to help mitigate climate change



Flower-rich field margins help restore the country's lost pollinator habitats

And if we get this right we can also increase the amount of wildlife-rich natural space for:

- education and outdoor learning, whilst decreasing anxiety and increasing attainment
- recreation and enjoyment, providing a low-cost means of prevention at scale when it comes to health challenges related to inactivity, isolation and dementia
- support rural and tourism economies and make our landscapes even more attractive to businesses

It's about **good economics**

Restoring the country's nature is a sound financial decision, too

Wildlife is less abundant and a smaller part of our daily lives than it was even a generation ago, with consequences not just for the health of our environment but for our own physical and mental health.

But we're not just losing habitats and health, we're losing money too. Damage to our natural systems is costing us dearly. For example, the cost of flooding (which we pay for through higher insurance premiums) and for cleaning water pollution (which we pay for through our water bills) was recently calculated at £2.4bn a year in England³. Soil degradation costs around £1.2 billion a year in England and Wales (80% of which is incurred by non-land managers)⁴.

“ Farmers need to be rewarded for delivering benefits they can't sell but that society needs ”

There is an economic imperative to improve and maintain our country's natural infrastructure – our rivers, woodlands, peat bogs, meadows – our natural capital. This cannot be done through the open market so there is a strong case for government intervention.

Farmers can sell the food they grow through the market and this

should be valued highly. But farmers also need to be rewarded for the work they do which delivers other benefits or services they can't sell but that society needs.

Under the EU Common Agricultural Policy, 88% of payments in the UK were not linked to outcomes, but paid out according to how much land someone owned or looked after. In a new system, the Government would pay for environmental 'products' that cannot be sold on the market. The current UK CAP budget of £3.1bn should be retained and invested in a new land asset management policy⁵ which gives the right incentives to farmers and land managers to get on with the job.

3: Green Alliance, New markets for land and nature: how Natural Infrastructure Schemes could pay for a better environment, 2016.
4: A.R.Graves, J.Morris, L.K.Deeks, R.J.Rickson, M.G.Kibblewhite, J.A.Harris, T.S.Farewell, I.Truckle, The total costs of soil degradation in England and Wales, Ecological Economics (Vol 119), November 2015, pp. 399-413.
5: In England - the devolved nations are expected to design their own systems although there is likely to be a common basis for all agricultural systems in receipt of Government funds.



We now know that bare hillsides exacerbate downstream flooding. We propose a better system for all concerned



What principles would guide the new approach?

Value for money, sound planning and sustainability⁶



Giving value for money

Taxpayers' money should be invested in public benefits that the market cannot provide. Value for money will also depend upon guarding the taxpayers' investment to date during the transition to a new policy: farmers need to know they will be rewarded for retaining meadows, heaths and permitted paths into the future.



Valuing food, farmers and land managers

We need to increase public understanding of the value of food, where food comes from and how it is produced. We should increase the proportion of profits that farmers receive through the supply chain. We need to ensure positive land management is financially viable if we are to build the right skills and capacity and maintain and improve land assets for public benefit.



Avoiding environmental damage & securing its recovery

Well-designed rules and regulations are needed – initially through transfer of environmental laws from the EU, and ultimately through an Environment Act – to protect the natural environment from pollution, habitat loss or other damage and to enable nature's recovery.



Taking the right action at the right scale

Public investment in our environment must be based on high quality, locally relevant environmental data and knowledge. Funds must be directed to achieve the aims set out in a series of sub-national spatial plans for nature's recovery.



Providing effective regulation and support for land management

Knowledgeable, well-resourced, and consistent public agencies are required to ensure that public funds are well targeted, and laws upheld in an efficient, proportionate and intelligent way on a long-term basis.

⁶ These principles draw on those outlined in Agriculture at a crossroads: the need for sustainable farming and land use policies, Greener UK, 2017.

1

More, bigger and better natural habitats

Our remaining areas of natural habitat - peatlands, woodlands, grasslands, heathlands and wetlands should be protected, restored and expanded so that they are adapted and they can adapt and be resilient. Priority actions:

- Maintaining all priority and core local habitats in good condition.
- Restoring all habitats currently in unfavourable condition.
- Creating new habitat in key locations as set out in local environment plans.



RAY LEWIS

Nature reserves provide the species that will repopulate the countryside

Eight great benefits

3

Abundant pollinators

Wild pollinator populations should be increasing year on year if we are to avoid a crisis in food production and ecosystem health. Priority actions:

- Protecting existing and creating new wildflower meadows and hedgerows.
- Managing 3% of arable farm areas specifically for pollinators.
- Sustaining the ban on neonicotinoids and take a precautionary approach to licensing new pesticides.



RACHEL SCOPES

Pollinator populations are critically low, but we can easily reverse that



2 Thriving wildlife everywhere

Wildlife needs to be able to thrive beyond protected areas and nature reserves. We need to create a connected, nation-wide network of habitats – combining smaller areas of habitat and hedgerows with bigger natural areas, allowing species to move through the wider countryside. Priority actions:

- Supporting Local Wildlife Sites in a future land management payments scheme.
- Maintaining and restoring important connecting habitats like hedges, trees and linear blocks of woodland.
- Creating healthy soils, strong populations of pollinators and clean rivers, streams and lakes.



TERRY WHITTAKER/2020VISION

It should be possible for all our native wildlife to thrive alongside us

Following the principles on page 7, a new approach to land management should deliver great benefits for the economy, society and the environment

4 Healthy soils

Healthy soils are fundamental to insect life and natural fertility and health must be restored to our soils. A range of measures will be necessary to achieve this. Priority actions:

- Setting a target of increasing organic matter in UK arable and horticultural soils by 20% over the next 20 years (1% a year)⁷ and put measures in place to achieve this.
- Ploughing less often or stopping tillage altogether in some circumstances.
- Replacing artificial fertilisers with natural organic matter.
- Ensuring crop rotation, and planting catch cover crops.



STEVE TROTTER

It is critically important to end the folly of soil degradation and loss

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Clean water

Our country needs healthy streams, rivers and wetlands. Currently our rivers are carrying too much sediment, too many chemicals⁸ and high levels of nutrients derived from agricultural land. Priority actions:

- Improving the storage and use of slurry.
- Restoring all water bodies to Good Ecological Status within 10 years⁹.



JACK PERKIS

The brown trout is particularly vulnerable to the silt from soil erosion

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Flood Risk Management

Natural solutions should be used much more widely to absorb and slow the flow of water. Priority action:

- Allocating 10% of the budget for flood management towards natural solutions (i.e. £250m from £2.5bn capital investment budget for reducing flooding & coastal erosion in the period 2015 – 2021).



NICK UPTON/NATURE PL

Beaver dams have been shown to slow flood water and filter pollution

7: Soil Association, Seven Ways to Save Our Soils. Accessed at <https://www.soilassociation.org/media/4672/7-ways-to-save-our-soils-2016.pdf>.

8: Including the poisonous metaldehyde used for slug control

9: See Water Framework Directive. Good ecological status is expressed in terms of five classes (high, good, moderate, poor or bad). These classes are established on the basis of specific criteria and boundaries defined against biological, physico-chemical and hydromorphological elements. Biological assessment uses numeric measures of communities of plants and animals (for example, fish) and hydromorphological quality looks at water flow, sediment composition and movement, continuity (in rivers) and the structure of physical habitat.

10: Defra, Guidance Air pollution from farming: preventing and minimising, 2012. Accessed at: <https://www.gov.uk/guidance/reducing-air-pollution-on-farms>



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Clean air and climate change mitigation

Use of non-renewable resources in agriculture should be reduced and greenhouse gas emissions lowered. Priority actions¹⁰:

- Improving soil health which will help reduce artificial fertiliser and pesticide use.
- Improving grazing land management e.g. by keeping stocking densities at sustainable levels.
- Restoring degraded land, peatland and cultivated organic soils.



DAVID CHAPMAN

Peat uplands capture carbon indefinitely if they are allowed to re-wet

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Healthy people

More people should be able to enjoy beautiful natural environments rich in wildlife. Priority action:

- Helping more people to access and appreciate the countryside, especially near to where they live.

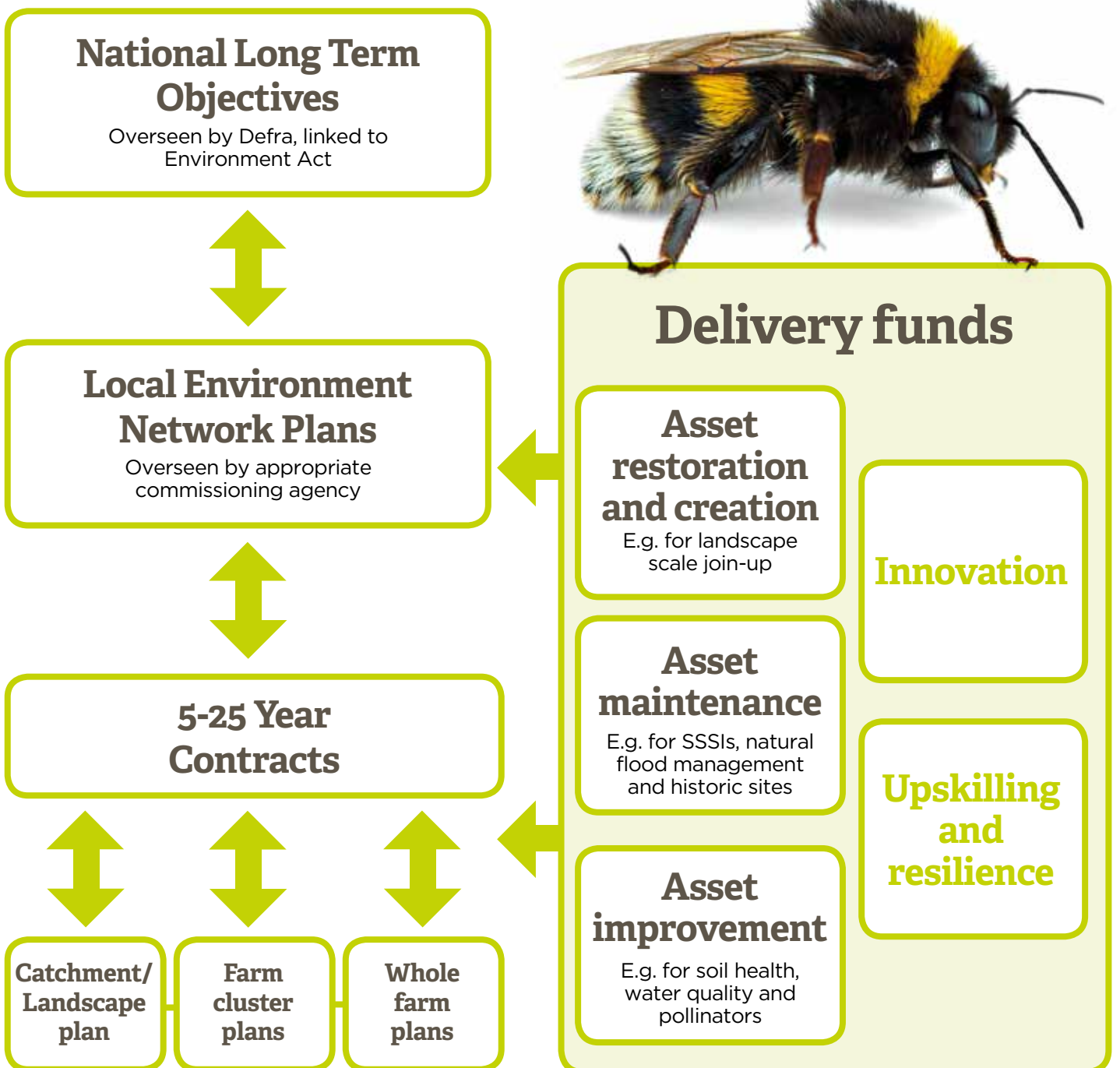


DAN HILLARD

All children have the right - and the need - to play outside in nature

How to deliver a future land management policy

Our idea is to join up habitats, farmers and investment



How it would work in detail

National long term objectives

The country needs to set out long term aims for environmental health and nature's recovery in line with international commitments and domestic priorities. We believe these aims should be enshrined in an Environment Act. Our future land management policy is a critical delivery means for these national long-term benefits, or outcomes. A powerful independent body should oversee progress towards these aims and hold the Government to account.

The new land management policy will only operate effectively in a context of well enforced, strong regulation which surpasses the current baseline to receive a payment; and high environmental standards (at least equivalent to current EU Directives, principles and standards).

Local environment network plans

Public payments for land management should be targeted and allocated at a local level through local environment network plans - using ecological mapping - a spatial approach to identify societal and environmental needs. See more overleaf.

Variable length contracts

The local environment network plan will be delivered through a variety of mechanisms including

contracts with farmers, landowners and other organisations.

Contracts will be offered to deliver the strategic outcomes at the locations identified on the local environment network plan - i.e. where society needs them. Contracts will be of variable length (e.g. 5 - 25 years depending on the nature of the need) to provide continuity and give land managers the ability to plan in the long term. Longer contracts will reduce the burden and costs of administration for both farmers and the state - by taking away the need for annual applications, focussing audit and monitoring processes on outcomes rather than on detailed process-based approaches and placing more emphasis on land managers to demonstrate the success of their work.

These contracts should relate to high level objectives set around whole catchments and landscapes as proposed in the local environment network plan. Whole farm plans should underpin investment in a land-holding and the system should make maximum use of 'farm clusters' - a powerful mechanism whereby groups of local farmers can take ownership and responsibility for designing and implementing their own solutions to the challenges and desired outcomes set for them in the local environment network plan.

The funds and their administration

One commissioning public agency should be responsible for administering the full breadth of funds. This agency should operate at the sub-national level most relevant to the outcomes and most effective for managing relationships - this may be at a catchment level¹¹, county or

regional level but there needs to be a clear connection between national level objectives, the local environment network plan and local delivery contracts. Administration of the scheme and its funds should be simple, with clear read across to other legislation. The commissioning agency should hold the full breadth of funds and would take responsibility for overview, audit and delivery.

Three public asset funds for land management will be core to the new approach, and based on delivering a landscape-scale approach to land management which acknowledges that wildlife and wild places do not recognise boundaries and that we need more, bigger, better and joined spaces for wildlife¹². The funds will support natural asset improvement (e.g. for soil recovery, water quality measures, providing habitat for pollinators), asset maintenance (e.g. for SSSIs, Local Wildlife Sites, natural flood management, historic sites) and asset restoration and creation (e.g. for landscape-scale join-up, creating woodlands, peatlands or wetlands).

Two additional funds will support innovation (a competitive fund for innovative land management projects) and upskilling and resilience (e.g. business support, education & training, enhancing rural vitality). The new approach will also need to use innovative financial mechanisms to achieve the intended outcomes (e.g. auctions for service delivery, competitive bidding processes and the establishment of new markets).

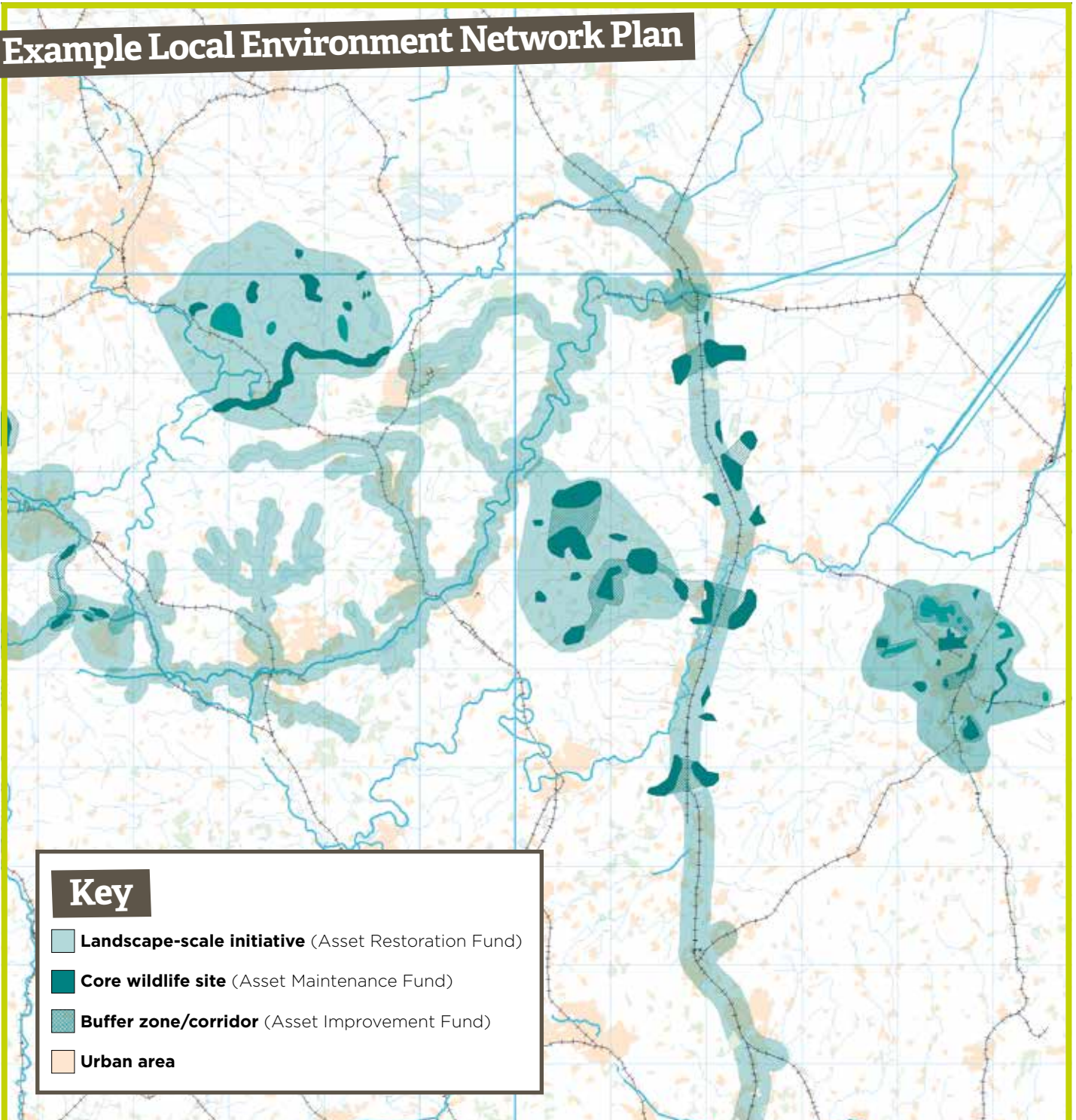
¹¹: Helm, D. 2016. British agricultural policy after BREXIT. Available here: <http://www.dieterhelm.co.uk/natural-capital/environment/agricultural-policy-after-brexit>

¹²: Lawton, J.H., Brotherton, P.N.M., Brown, V.K., Elphick, C., Fitter, A.H., Forshaw, J., Haddow, R.W., Hilborne, S., Leafe, R.N., Mace, G.M., Southgate, M.P., Sutherland, W.J., Tew, T.E., Varley, J., & Wynne, G.R. (2010) Making Space for Nature: a review of England's wildlife sites and ecological network. Report to Defra.

The crucial factor: local environment network plans

We need local plans that direct action and investment to achieve nature's recovery

Example Local Environment Network Plan





Matt Johnson, an advisor for the local Wildlife Trust, discusses land management with sheep farmers John and Lisa Moser



RUPERT PAUL

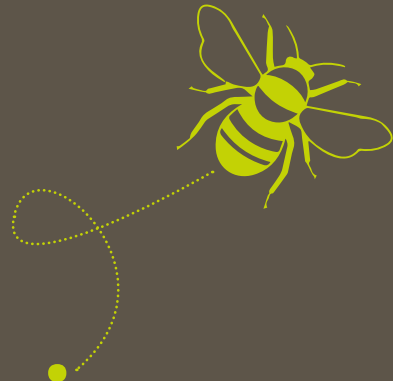
Public payments for land management should be targeted and allocated at a local level through local environment network plans. These use ecological mapping – a spatial approach to identify societal and environmental needs. Data for national outcomes (e.g. flood risk management, healthy soils, thriving wildlife everywhere) will help identify the key environmental issues which need tackling. The local environment network plan should be based on locally identified need, local data and thorough consultation with local people and organisations.

This needs-based approach will help to target resources and investment in land management to achieve the greatest impact and value for money.

This isn't just useful for allocating where public funds for land

“ The plans integrate policy goals across several areas to achieve consistency ”

management should be deployed. Local Authorities will be able to use network maps to help inform housing allocations; water companies could use them when considering water treatment and supply operations; rail companies could use them to identify where to invest mitigation monies, and NGOs will be able to use them to identify new landscape-scale conservation projects. Local environment network plans are therefore a powerful decision-making tool through which policy goals across several areas can be integrated to achieve consistency.



Seize this chance

We have an unrivalled opportunity to develop a world-leading approach to land management, building on our reputation as a global leader in food quality, animal welfare and environmental standards: we must retain this hard-won position in future trade arrangements and take the opportunity to extend our reputation as global leaders in environmental stewardship.

A new contract – between land managers, the Government, and the public taxpayers and consumers – could secure the future of farming communities, a thriving and diverse economy, and a living landscape delivering the ecosystem services we rely on.

This briefing was developed alongside a wider body of thinking about the future of land management policy, namely Wildlife and Countryside Link's *A future sustainable farming and land management policy for England*

