

Sustain response to the ELMS consultation July 2020

The following are responses to the Defra Consultation

(<https://consult.defra.gov.uk/elm/elmpolicyconsultation/>) Defra Questions in bold

- 1. Do you want your responses to be confidential?** No
- 2. What is your name?** Vicki Hird
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- 4. Where are you located?** England
- 5. Who are you? Internal to Defra/Defra arms length body (ALB)/Lobby group/Other government department/Parliamentary group/Land manager/Other (please specify)**

Sustain is the alliance for better food and farming advocates food and agriculture policies and practices that enhance the health and welfare of people and animals, improve the working and living environment, enrich society and culture and promote equity. We represent over 100 national public interest organisations working at international, national, regional and local level. This response is drawn from the work of the Sustain Farming Working Party.

- 6. Do you have any comments on the design principles on page 14? Are they the right ones? Are there any missing?**

Sustain supports the design principles but have the following comments:

d. Ensure that ELM includes actions that most farmers, foresters and other land managers could deliver and encourage delivery of outcomes at all spatial scales through collaboration as well as individual participation;

We are questioning which applicants are excluded here when the word ‘most’ is used. We expect all relevant land managers to be able to access the funds to deliver public goods from farming and farmland management. The principle could also usefully be extended to include reference to the potential for progression and increasing the delivery of public benefits by farmers in the scheme such as *‘and an approach which allows progression through the scheme to deliver greater outcomes.*

f. Ensure minimal complexity and administrative burden for participants and administrators, considering lessons learned from similar past initiatives;

This is a useful principle as long as it does not lead to efforts which undermine the outcomes and the scheme’s credibility. ‘Minimal’ could usefully be changed to ‘minimal but sufficient’. There also should be recognition that regulatory requirements must be adhered to. The paper makes clear farmers would be paid for going beyond the regulatory baseline which is good but what that baseline will be is unclear and needs to part of the framework from the start, so farmers know where they stand.

There is also a gap in the principles considering the learning curve being required of participants, not only in the new unsubsidized market place (for which they may need some skills and training), but in new areas of delivery, such as climate mitigation/adaptation and for farmers not in previous agri-environment schemes. The principle could be a goal to *“ensure delivery of effective, independent training, guidance, advice and demonstration for participants to ensure effective and sustained outcomes.”* Some of this may be outside the scope of ELMS but given the need to develop a LMP based on business as well as land assets etc, delivery of integrated training and advice is essential.

7. Do you think the ELM scheme as currently proposed will deliver each of the objectives on page 8?

The objectives are rather broad to cover the true nature and depth of the changes required but Sustain recognises the intent. The environmental - or we would suggest sustainability - objectives are key. We have long advocated a public money for public goods approach and believe the scheme could deliver on these stated objectives if well designed, well-resourced and under regular review. These objectives need to be set against a wider food system programme of policies and support that recognises the whole system impact – including for instance the influence of supply chains.

We also need to see sustainable business, capital and infrastructure support with specific help for smaller farm businesses, and a new publicly funded programme of low-cost advice and support for a farmer-to-farmer advisory network. Smaller businesses could be supported to complete LMPs and applications or given advice at lower costs (as bigger businesses could afford the advice) so they get the integrated business, environmental and agronomic advice they need to engage with and apply for an ELMS.

One big risk to achieving these objectives will be the loss of diversity of farms and structures with the associated features, biodiversity, rural community cohesion that go with them. The mosaic of UK farming is vital for protecting landscapes and natural resources as well as rural economies and communities. The small and medium, family farm and mixed farm – which provide specific and often unrecognised environmental and social benefits – need specific targeted support to survive in a more liberalised market and deliver public goods as well as sustainably produced food for a more diverse domestic and local marketplace.

We have new areas are of concern. There exists significant experience, skills and learnings from the previous agri-environment schemes but these had major gaps in terms of objectives and did not cover newer issues and challenges as expressed in the 25 YEP and anticipated in the Agriculture Bill like climate mitigation, adaptation, soil health, air and water pollution, pesticide reductions, the conservation of native livestock, woodland creation and agroforestry. There is little detail yet on how we will help farmers both learn about and deliver on these outcomes.

8. What is the best way to encourage participation in ELM? What are the key barriers to participation, and how do we tackle them?

Pilot – maximise number and range of farm types, sizes (business and physical), location, and sector (especially new sectors), that are covered. We hope there will be a larger pilot than discussed as this will be key not only to delivering learnings but also to encourage positive support from land managers. The more they are seeing the pilot work near them the more they will become interested and involved.

Eligibility – There should be no land area threshold below which land managers are ineligible to apply. Many smallholders could and should be able to deliver significant environmental and sustainability benefits, particularly if they are adequately supported to work in collaboration with neighbouring farms or farms of similar type to deliver a cross sector outcome. cooperation.

Making financial sense – The scheme needs to work for all farm types and ensure they can deliver public goods and survive within market constraints. The payment methodology will need fine tuning and a process of continuous review (with practitioners) and amendments as needed. The budget needs to be sufficient but Sustain has also advocated that, in order to ensure a fair use of the budget available and to reflect how larger land managers can take advantage of economies of scale, larger payments to significant land holders could be capped.

Free, affordable and independent advice, training and demonstration – as noted above and throughout the stakeholder process it has been made clear this remains a gap both in terms of clear capacity and skills to deliver adequate and independent training and advice and a budget for it. This should include in-person advice and not be purely digital. There needs to be a consistent standard of advice including for farmer led services as these are trusted by farmers and could be highly effective and could be a highly valued part of the mix.

RPA and other agencies – as a delivery body there are obviously issues with the RPA, and it would make sense to review how to tackle this well before the start. Even a change of name and style of approach, appearance, language would probably be useful. Land managers need to have confidence that the individuals they are dealing with from any agency working on ELMS are well informed and objective.

9. For each tier we have given a broad indication of what types of activities could be paid for. Are we focussing on the right types of activity in each tier?

All aspects of the 25YEP need to be delivered on ideally in all tiers to a certain extent but with growing levels of ambition. Without more detail - on the specifics of how activities with multiple benefits will be supported, the regulatory baseline and the prioritisation between the Tiers - it is not easy to comment. It is disappointing to have this consultation in particular without an understanding of how the recommendations of the Stacey Farm Inspection and Regulation Review, are being taken up as this is key to understanding how the Tiers, particularly Tier 1 will work.

We suggest the following need to be included in all tiers as appropriate:

Whole farm agro-ecological systems should be given specific support recognising the optimal outcomes for nature and other multiple goals across a whole farm – and this should be in addition within reason to specific outcomes paid for.

Organic farming represents an extremely important example not only of an agroecological whole system approach to farming but also a scheme with legally defined standards and enforcement along with successful public recognition. As such, specific support for organic conversion and maintenance needs to be explicitly laid out in the Tiers. An Organic ‘package’ would make sense for all Tiers (as opposed to being required to deliver single actions/measures) to enable uptake of the multi-functional organic system and the consequent and proven delivery of a range of public goods achieved through the ‘whole system’ approach which is also legally enforced via a government approved third party. Specific issues for organic farms in conversion and eligibility for the pilot need to be addressed. These include giving farmers time to embed the intensive knowledge transfer required to move successfully into organic farming. It requires at least one full crop rotation which can be between 5-7 years depending on which enterprises, arable, horticulture, livestock, and location etc. Farmers cannot quickly jump from intensive input reliant agriculture to a whole system design.

Agroforestry – any tree planting needs to be carefully planned (not replacing species rich meadow for instance) but clearly there is a benefit in more trees in the right places and agroforestry can have multiple benefits. Loans or grants to support new tree planting and maintenance to enhance yields, farm profitability and resilience and on-going maintenance covered by ELMS. This would deliver additional environmental goods such as reducing soil erosion and enhancing on-farm biodiversity, including pollinators and assist livestock husbandry. Support for development in farmer skills in woodland maintenance may be needed.

Soils – there is a welcome acknowledgement on the need for soil health and better management in ELMS and this could be useful as an element of each Tier to ensure this fundamental asset is protected. It is also a relatively new agri-environment area but with a growing body of practical and academic evidence to support the development of activities which could be supported by ELMS.

Integrated Pest Management – IPM is a core competence all farmers should be supported on using for the significant both environmental, safety as well as economic benefits. Having a level of delivery of IPM in each Tier and in each contract (with the associated training etc) would make sense to help drive uptake.

Extensive, fully pasture based livestock farming - specific incentives to ensure this sector can develop and grow to deliver wider resource-use, biodiversity, welfare and market outcomes.

Horticulture and peri-urban/urban farming – specific loans or grants available to support and maintain new UK based sustainable horticulture enterprises and diversification into horticulture, to reduce the huge trade gap and loss of UK capacity, so create employment, improve wages and skills, marketing, processing and enhance home-grown nutrition. Peri-

urban enterprises could be specifically targeted to build capacity close to markets. Support for IPM and organic production is particularly relevant also in this sector.

Agrobiodiversity – Two of the ten purposes for which financial assistance may be given under clause 1 of the Bill directly relate to agrobiodiversity: clause 1 (1) (g) refers to livestock, and clause 1 (1) (i) to plants. Recent decades have seen a significant decline in the diversity of our native livestock, equines and plants, largely as the result of a desire for standard products that better meet the demands of industrialised systems. These genetic resources may offer a way to sustainably increase food production and improve our capacity to adapt to climate change or the emergence new diseases. Tier 1 needs to incentivise farmers to invest in rearing rare and native livestock and plant breeds. In addition, Tier 1 should incentivise the greater use of seed and gene banking to native and rare breed genetics.

Public engagement - this goal has real potential to engender a far greater, and much needed, connection between consumers and the food they eat plus deliver on other objectives including health and wellbeing. We need strong tests and pilot outcomes on this to show how best to support public access and engagement and not only in rural areas/settings.

10. Delivering environmental outcomes across multiple land holdings will in some cases be critical. For example, for establishing wildlife corridors or improving water quality in a catchment. What support do land managers need to work together within ELM, especially in tiers 2 and 3?

The costs for time spent in organising at catchment or landscape scale, and facilitation and advisory costs will need to be covered.

We would like to see a recognition of the need to support collective applications by multiple but non-contiguous farms to deliver benefits outlined in the 25YEP such as education and access to nature and farming. This is particularly required to allow smaller holdings to work together and minimise bureaucracy when they will have extremely limited capacity – such as peri-urban holdings around a conurbation aiming to deliver environmentally beneficial horticulture and education outcomes, or a collection of small farm businesses in remote areas wanting to deliver landscape scale access.

11. While contributing to national environmental targets (such as climate change mitigation) is important, ELM should also help to deliver local environmental priorities, such as in relation to flooding or public access. How should local priorities be determined?

Sustain supports the approach of delivering priorities at the appropriate level of competence and expertise. In many cases, these may be local and regional. Given that central government is not well set up to handle local and live information about land use changes and opportunities, a local level of governance would provide direction for a proportion of the funding – to ensure both national priorities can be delivered but also locally valued ecosystem services are supported and to ‘fill in the gaps’ that arise from the operation of the national funds. Access to other sources of finance such as local statutory

and private finance could also be coordinated by a funded and skilled facilitator at a local or regional level. Publicly agreed outcomes could be delivered by collaboration between public, private, voluntary, and financial partners and this would require adequate and funded facilitation.

12. What is the best method for calculating payments rates for each tier, taking into account the need to balance delivering value for money, providing a fair payment to land managers, and maximising environmental benefit?

Payment rates must provide a sufficient incentive to participate, reflecting the true cost of achieving the specific objective in that location. The income foregone plus costs approach is clearly practical but problematic for many farms especially those which have low income due to location or market failures. It is also not a positive, enabling approach and there are good examples of where more outcome-based funding would work. In any approach, all transaction costs and facilitation costs need to be paid for.

13. To what extent might there be opportunities to blend public with private finance for each of the 3 tiers?

We need to see a public budget for this scheme that fits the needs identified. That is critical. But we do recognise the opportunities that may be available through private finance and also how it could in some instances amplify outcomes and involvement by farm businesses.

But this remains a major unknown quantity and it could also be potentially divisive and uneven leaving some farm sectors and regions with far lower resources than others. Many small-scale businesses may lack the capacity and time to seek private finance. If blended finance is used, to avoid this scenario Defra should have a dedicated team looking at how private finance is working across the whole land management community and report on outcomes and gaps.

14. As we talk to land managers, and look back on what has worked from previous schemes, it is clear that access to an adviser is highly important to successful environmental schemes. Is advice always needed? When is advice most likely to be needed by a scheme participant?

This is key as noted earlier and should be included in the payments rates. Advice should be available and accessible at no costs for all farmers at least in the first years which will be so crucial. Any advisers paid through government funds, directly or indirectly need to have training and accreditation to ensure consistent high-quality advice and independence from any influence (such as agro-chemical companies).

15. We do not want the monitoring of ELM agreements to feel burdensome to land managers, but we will need some information that shows what's being done in fulfilling the ELM agreement. This would build on any remote sensing, satellite imagery and site visits we deploy. How might self-assessment work? What methods or tools, for example photographs, might be used to enable an agreement holder to be able to demonstrate that they're doing what they signed up to do?

Self-assessments will be important and can be an integral part of the process of learning and development for the land holder but need to be backed up with other sources such as satellite imagery and spot checks. The applications and monitoring process cannot be an entirely digital and online system as some farms have inadequate broadband and infrastructure or capacity for this.

16. Do you agree with the proposed approach to the National Pilot? What are the key elements of ELM that you think we should test during the Pilot?

The main point is made above that the pilot is as comprehensive and diverse in its scope as possible and should not be constrained by budgets. For this to be credible to farmers across England there needs to be transparency on the insights the pilot has given in as many land types, farm sizes and sectors as possible.

17. Do you have any other comments on the proposals set out in this document?

This scheme should deliver diversity in production and farming and be underpinned by effective regulation and enforcement, based on the precautionary principle, to protect people, the rural economy, environment, and livestock.

As yet, it is unclear how this scheme will be working alongside all the other policies required including environmental regulation, productivity, ancillary, animal health and welfare schemes and plant health schemes. We need details of how these could be used in an integrated way with the same administration to avoid burdensome admin and duplication and so on.

Without knowing how new regulatory baselines are to be set it is unclear how well ELMS will be able to deliver additional benefits for the taxpayer.

We also have been advocating for **public health** to be better considered in the post Brexit farm support framework. This scheme recognises some elements of public health including safe water and reduced air pollution which is welcome. But if these are covered, pesticide exposure and antibiotic use should be specifically included. There is also a huge need for greater production of sustainable diverse fruit and vegetables to provide better diets. ELMS should be designed to ensure it is able to help in this goal by supporting strong environmental principles in horticulture and to help grow the smaller, peri-urban and urban horticulture sector.

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