

Public Bill Committee

Agriculture Bill

Written evidence submitted by the Game & Wildlife Conservation Trustⁱ

The Game & Wildlife Conservation Trust (“GWCT”) welcomes the Agriculture Bill and the direction of travel exhibited by it and the supporting policy guidance. However, we think it is important to note that, as has been pointed out in Committee proceedings, the Agriculture Bill is only one part of a jigsaw of legislation and policy that inter-connect, with future trade arrangements being particularly pertinent; therefore our observations can only be made on one part of the overall picture. This makes it more difficult to ensure that no unforeseen consequences are unanticipated. Whilst the current Government’s ambitions for the sector are welcomed, the Bill needs to provide an appropriate framework for future policy formulation looking forward 40 or 50 years.

We make the following points in order to encourage the future proofing of such an important guiding piece of legislation.

1. Bill principles

We understand Government’s argument that policy detail should be covered extensively in supporting policy statements and that an enabling bill needs to be broadly drafted to allow for wide interpretation. However we would support an amendment that embeds a guiding principle in the Bill to interlink the objectives in clause 1 and therefore underpin the focus on linking production and environmental ambitions. The Bill as currently drafted separates support for the environment from production; if future policy ambition is to focus on sustainable production then this Bill should combine the two (see also point 3.1 below).

2. Implications of removal of direct payments

The Bill enables the removal of direct payments over the course of the transition period. We are increasingly concerned that objections to direct payments are masking two significant benefits of a “basic farm payment”: the delivery of environmental benefits and farm profitability (the latter particularly among small to medium sized farms in mixed farming areas).

2.1 Regulatory baseline and cross compliance

We feel there is a significant danger that the environmental benefits associated with the Basic Farm Payment (“BFP”) will be lost and as a consequence we are concerned as to how Government will ensure that statutory environmental legislation and best practice will be effectively enforced. The GWCT is fearful that without financial support for environmentally responsible farming, the threat of inspection and financial penalty for non-compliance, regulations will be less well observed. In some cases existing cross-compliance measures are the principle means of protecting environmental assets. As David Baldock of the IEEP stated in evidence to the committee on 25th October *“Good agricultural environment condition is a very important part of cross-compliance. It was our major means of protecting soil, so it is the only means of protecting soil through the public sector at the moment. I want to emphasise—although we all know this—that it is a key area that should not be forgotten.”*

There is also the real possibility that without maintaining the regulatory baseline delivered by cross compliance, Government (and the public) would be funding ELM delivery without any assurance that statutory and other basic environmental, animal welfare and animal health standards are being met. In our view it is very important that farmers are not seen to be accessing environmental payments when their observance of basic compliance may be inadequate. Such situations give rise to deep concern over the distribution of public money.

The GWCT has reached the conclusion that a Foundation Payment, based around the value of “public goods” that are delivered through existing Cross Compliance, and any other “greening”

measures we wish to modify for inclusion in a universal schemeⁱⁱ, is the best way to approach this. Compliance with Foundation Standards would be a pre-requisite for eligibility for entry to any future Government funded scheme.

We support Government's intention to simplify inspection and regulation and so propose that cross compliance measures would be included in existing annual farm assurance inspection visitsⁱⁱⁱ. This would free up the RPA (or statutory equivalent) to focus their attention on businesses which are not checked through farm assurance.

2.2 Farm profitability and costs of compliance with legal duties

We are concerned that the removal of direct payments will in particular undermine the viability of some small to medium sized farms. The proposed approach to future ELM is likely to provide an alternative means of support in less favoured areas (remote farming) due to the focus of public good provision in these areas. However, there is what we have termed the "missed middle", those farms which will struggle to fill the income gap left by the removal of direct payments through productivity gains due to limitations such as land quality, gradient, farm size etc. and which are not in targeted areas for public good provision such as the Uplands or designated landscapes. We support the calls for the retention of some form of payment for compliance with basic environmental standards and statutory requirements as a means of providing such farms with a basic level of farm support.

Furthermore, we are concerned that there are those who are advocating that financial assistance should not be given to satisfy a statutory or other legal requirement, such as maintaining footpaths and hedgerows. We would like to emphasise that that the management of these assets is a cost to the farm business, not only in terms of their management but also potentially a cost to production income where land is taken out of cropping or crops are damaged (cross field footpaths for example) and so supporting their delivery would ensure continued observance of these requirements and the continued delivery of key public goods without the need for burdensome inspections.

3. Other observations

3.1. Soils and sustainable farming

The Minister for Agriculture, Fisheries & Food during the Committee's deliberations on 23rd October, stated that "*...the objective behind the Bill is to encourage more sustainable farming.*" With this in mind we have observed the ongoing debate about aspects of the Bill. Whilst we accept Government's contention that wording should be couched in broad terms, such as land and natural heritage, we remain of the view that fundamental aspects of future agricultural policy such as soils and sustainable production should be explicitly referred to in the Bill, perhaps as guiding principles (see point 1 above).

Furthermore, although a proposed amendment to Clause 1 on agro-ecological approaches was not agreed, we would emphasise the need to ensure that the Bill encourages holistic farming systems in order to link the need for food production with environmental gains. Whilst we accept that the list of public goods is deliberately set broadly to avoid the need to produce an exhaustive list, we believe that the Bill needs to be future-proofed against policy directions that might not facilitate the ambitions of this Government. Hence we suggest above that sustainable production (encouraged via holistic farming systems) should be included as a guiding principle.

3.2. Funding

We support calls for the Bill to provide more certainty on long term, multi-annual funding. Precedents exist in other sectors for funding to be guaranteed beyond the lifetime of the current Parliament.

3.3. Common framework

We support the adoption of a common framework established by mutual consent across the four nations of the UK as proposed in NC11.

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ⁱ We are a leading UK charity conducting conservation science to enhance the British countryside for public benefit. We use our research to provide training and advice on how best to improve the biodiversity of the countryside.

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ⁱⁱ We propose the following 'modified' measures: the three-crop rule is replaced with a requirement for sustainable rotational crop sequences which focus on a balance of restorative and exploitative phases as a means of supporting soil health (including funded grass phases in arable rotations); and, long term grass leys (less than 8 years old) and grass strips around arable fields are not classified as permanent; farmers would be paid for the environmental benefits of permanent pasture.

ⁱⁱⁱ When we met the Red Tractor CEO he was confident that inspectors would be able, with some training, to include existing Cross Compliance measures as part of the inspection procedure.