

The Rt Hon George Eustice MP Secretary of State for Environment, Food and Rural Affairs House of Commons London SW1A 0AA

31<sup>st</sup> July 2020

Dear Secretary of State,

I am writing to respond to the ELMS consultation.

Our response is based on our work through the Commission with farmers around England; with our County Inquiries; and augmented by contributions from our Farming Leadership Group (membership attached) which supports the Commission's work on a transition to more agroecological farming practices by 2030, as set out in our report Our Future in the Land, 2019. Although the contributions from the Leadership Group have informed this response, it does not necessarily reflect every organisation's view; many will have made their own submissions to this consultation.

This is a critically important moment, not just for the farming sector, as the UK negotiates new trading relationships post-Brexit, but also for the country's ability to meet the necessary and ambitious targets to remedy the inter-related crises in climate, nature and the public's health. But as well as these (now well-rehearsed) challenges, the world faces a new crisis in learning to live with coronavirus, and the as yet unquantified impacts on the global economy and food security. This adds up to unprecedented levels of turbulence, uncertainty, novelty and ambiguity, and which requires intelligent and sensitive system change.

We agree that any new scheme must take into account lessons learned from past schemes; and we broadly agree with the design principles.

- 1. A scheme that engages all farmers
  - We believe that all farmers should be encouraged and enabled to participate so that all land benefits from the scheme's intentions. This can best be facilitated by a culture that recognises the importance of developing farming as a 'whole system', and providing universally accessible entry level payments, as part of Tier 1 in the proposed scheme to support a 'whole farm balance sheet' approach. Such payments should ensure social and government objectives are met through rewarding the public value of gathering high quality data across key metrics e.g. soil and water quality, biodiversity and wildlife, public access, carbon sequestration as well as continuing professional development and membership of relevant assurance schemes. The financial incentives should be further consulted on and sufficient to attract all farmers into the scheme and guaranteed for a sufficiently long period of time to give the confidence and stability required for all sizes of farming enterprise to make the transition to greener systems.

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- b. For many enterprises, the transition to more sustainable, more diverse and local food production will be at the heart of their business planning. We have seen through lockdown why this is important for a more resilient and secure food system and that citizens value this (<u>https://ffcc.co.uk/library/yougov-covid-19-polling</u>). To maximise such opportunities in the market requires a diverse range of holding size and type and it is important that the pace of introduction of the Tier 1 scheme does not force rapid, wholesale departure of farmers who are willing and able to make the transition, without regard to the potential unintended consequences for climate and nature, food production and the cultural heritage of farming communities. We are very concerned that the current timetable for BPS reduction makes this scenario more likely if there is a gap before a persuasive ELMS scheme has been nationally rolled out. It is critically important to get the balance right between the pace of change, the direction of travel and a practical and sustainable transition plan, future-proofed, as far as possible, against further shocks and unforeseen consequences, and giving them a chance to access payments for public goods.
- c. In our report we suggested baseline payments of £500 per hectare for first five hectares and £20 thereafter, but we consider now that this may not be enough to ensure that take up is sufficiently high and this needs to be tested. We want to ensure that as many people as possible are incentivised and rewarded for participating in Tier 1 and that this acknowledges the value of active participation both to the sector and to the UK's strategic climate and nature priorities, as well as other potential risks arising, such as the biosecurity implications of unregistered livestock ownership.
- d. (For the avoidance of doubt) There should be no minimum acreage for inclusion in tier one, as long as participants are prepared to meet the core obligations of data monitoring, CPD and membership of an assurance or certification scheme. This would incorporate horticulture and should boost the production of healthy fruit and vegetables, supporting other government intentions to improve health and wellbeing.
- 2. Targeted payments which align public and private investment to create public value
  - a. Designing a scheme which sets out to improve both the whole farm and as a result, the UK's natural assets, will be important. It would be a mistake to design a scheme in which farmers could benefit financially from opting into scheme features around the margins of their holdings, whilst leaving the main enterprise otherwise unimproved. For an ambitious and necessary Green Recovery, the scheme should incentivise rapid investment in nature-based solutions, sustainable farming and land use. Agroecological farming systems do all these things, whilst also providing nutritious food for people. We would like to see an increase in ELMS test and trials supporting whole farm approaches and the delivery of agroecological farming practices.
  - b. As we set out in our report, priorities should be: planting the right trees in the right places through woodland creation and agroforestry; carbon protection and sequestration in peat and other soils; creating and managing wetlands and waterways; natural grassland restoration; creating and restoring hedges, habitat corridors and traditional boundaries; creating and managing public access; nature improvement at scale, prioritising those that integrate agroecological practices (e.g. conservation grazing); high animal welfare systems, that build natural resistance to disease, and minimise use of on farm antibiotics; developing horticultural production and resilient supply chains, investing in the infrastructure, such as food hubs, abattoirs, dairies, required for the restoration of short, local, diverse systems.
  - c. Assurance and certification schemes, such as organic, 'pasture for life' and the LEAF Marque can be the most cost-effective way to secure a wide range of public benefits while also producing nutritious food. It remains the case that it is generally more expensive to farm sustainably than not, because the positive and negative externalities of our farming and land use systems are not internalised. Public and private

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investment should be aligned to speed the transition, ensuring that fiscal and regulatory levers are supportive of this direction of travel (such as for investing in renewable energy and agroforestry).

- 3. Independent advice and a route map for the transition
  - a. If this new scheme is to deliver all the benefits intended, farmers need access to high quality **independent advice** across a range of topics, building a culture of life-long learning.
  - b. As well as being independent, advice must be of high quality and affordable; easily accessible and offered in different ways that encourage take up from all farmers with diverse learning needs. We know farmers value and benefit from peer to peer learning, which can also have benefits for farmer and farming family welfare, This can be designed and augmented with the new knowledges needed, from credible experts and research, on changes in the 'technologies' of farming practices.
  - c. For some farmers, who are time-poor, or with lower literacy/numeracy/technical aptitude, advice could look more like 'coaching', or even acting for them, accompanying them on the journey to transition to greener systems. Such support may indeed be the critical factor in enabling some farmers in vulnerable positions to make the transition.
  - d. Substantial upscaling in **investment in farmer-led research** and innovation, consistent with the scale of the task, will help to ensure that changes are delivered on the ground. Farmer-led research is likely to emphasise ground level research which focusses on agroecological and regenerative farming practices, like chemical/input free farming, which is in often in contrast to approaches funded by UKRI and industry. We recommend that at least 10% of public R and D investment should go into farmer-led approaches.
  - e. They will also need appropriately skilled support in business-planning; succession; retirement and other social and psychological transitions. In learning lessons from the past, it is this aspect of a transition that has proved vital in ensuring that sectors (and communities) can make the changes required of them.
  - f. For landscape scale improvements, farmers and land managers will need to collaborate effectively for environmental gain. Collaboration at scale requires skilled facilitation and it is important to ensure that all types of landholdings have a chance to contribute and to benefit.
  - g. Finally, the sector is asking for **a clear route map** to guide the transition, towards a shared vision of a fair, ecologically and financially robust farming future, restoring climate and nature, able to provide healthy, affordable food for UK citizens, and supporting progressive trading relationships, so all countries can meet the sustainable development goals.

Yours sincerely,

Sue Pritchard

Chief Executive Food, Farming and Countryside Commission

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