

## **Environmental Audit Committee inquiry**

### **The future of the natural environment after the EU referendum**

Response of the Landscape Institute, 9 September 2016

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#### **1. Executive summary**

1.1 The Landscape Institute (LI) welcomes the opportunity to submit evidence to this inquiry. The outcome of the referendum has created a unique and exciting opportunity to transform the way the countryside is managed to meet the needs of current and future generations. The following observations and recommendations are made to assist the Select Committee in its deliberations:

- We recommend that a National Rural Land Management Policy is developed which emphasises the need to manage land in a way that works with natural systems to deliver numerous benefits for both the public, landowners and the environment.
- We propose the delivery of this Policy:
  - Makes better use of existing administrations, including 23 per cent of the country where the administration (National Parks and AONBs) is already in place, and redirecting national agencies to deliver locally.
  - Makes use of existing legislation.
  - Encourages a collaborative and cost-effective approach to local delivery which is fully accountable to the public.
  - Adopts a landscape-scale approach and ensures that the National Character Areas<sup>1</sup> work developed by Natural England guides decision making.
- We suggest a delivery approach that improves the way the public sector relates to the farming community by making Farm and Estate Plans, developed by farmers themselves, the basis of a new contractual relationship with corporate government, both national and local.

#### **2. The Landscape Institute**

2.1 The LI is the royal chartered body for the landscape profession. As a professional organisation and educational charity, we work to transform and manage the natural and built environment for the public benefit. The LI represents over 5,000 landscape planners, managers, scientists and designers. We champion multifunctional and sustainable landscapes in both rural and urban areas.

2.2 The landscape profession itself is trained to understand the action and interaction of natural and human systems in any given location, and to manage change in the landscape in a way that simultaneously delivers a range of societal, environmental and economic benefits. A significant proportion of our members are already involved in rural affairs, such as preparing Farm Environmental Plans, Farm and Estate Management Plans, Landscape Character Assessments,

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<sup>1</sup> <https://www.gov.uk/government/publications/national-character-area-profiles-data-for-local-decision-making>

Management Plans for protected landscapes, biodiversity, countryside stewardship, catchment planning and resilience to climate change.

### **3. Introduction**

3.1 In the UK there is a spatial planning system to regulate development in urban areas, articulated through site-specific policies and plans. This is in contrast to the more diffuse public intervention process which influences the way land is managed and developed in the countryside. The LI believes there are a number of issues which point to the need for a more effective and transparent approach to the way rural land is managed. These include the need to:

- Support the farming community to secure sustainable food production.
- Prevent land management activities from generating unintended consequences beyond management/ownership boundaries and affecting future generations.
- Ensure that successful land management systems have certainty over the long term, beyond the current political and economic programme.
- Realise the potential of the rural landscape to deliver, through ecosystem services, multiple benefits for society, the environment and the economy – an imperative as we are a heavily populated island with a diminishing land resource.
- Develop greater resilience to the effects of climate change.
- A delivery framework that can attract support from across the private, voluntary and public sectors.
- A public investment programme that is fully accountable.

3.2 We believe that sustainable food production needs to become the primary land use of our rural landscapes and that a thriving agricultural economy is essential to achieving food security. We believe that through the process of farming, numerous additional public benefits can be delivered but these require long-term, secure, public investment. These benefits need to be drawn together in a National Rural Land Management Policy.

3.3 We strongly resist the frequent reference to the word 'subsidy'. Not only was this incorrect once the guaranteed markets and prices had disappeared but it creates a damaging impression of the agricultural industry in the minds of public at large. There has been too little attention paid by Defra to the interpretation of the Cross Compliance conditions associated with the EU Single Payment Scheme as a series of positive public benefits. We also believe that too much emphasis has been given to regulation at the expense of collaboration with the farming industry.

### **4. The impact of the Common Agricultural Policy (CAP)**

4.1 The LI supports the strategic objective of the CAP to secure a healthy food production industry. However the actions that have been adopted to achieve this objective have failed to comply with the corporate environmental policies adopted by the European Commission. The underlying strategic direction of agricultural systems supported by the CAP are challenged by the LI, and specifically we consider that the intensive systems designed to stifle the power of natural systems, is fundamentally flawed. Suppressing natural systems is expensive, highly damaging in

the longer term and ultimately not sustainable. The resulting consequences vary considerably across the great variety of landscape types in this country and, in this submission, the LI will draw on just one of these to illustrate the impacts of modern agriculture – the chalk landscapes of Southern England. Impacts from the application of modern agricultural methods include:

- The erosion and impoverishment of our soils – a precious national asset that is too often taken for granted – loss of supportive micro-organisms, loss of structure, loss of carbon, loss of water holding capacity and the loss of the soil itself<sup>2,3</sup>
- Diffuse pollution of aquifers and rivers by nitrates and phosphates, leading to water companies having to import water to dilute the supply by blending to achieve an acceptable quality<sup>4</sup>
- Intensive land management regimes that fail to hold or slow down rainfall released into urban areas, sometimes leading to unnecessary flooding<sup>5,6,7</sup>
- Impacts on air quality, including extensive emissions of greenhouse gases, in particular nitrous oxide from applied nitrate fertilizers<sup>8,9</sup>
- The unnecessary destruction of habitats and species through the application of herbicides, fungicides and insecticides as well as physical destruction and damaging or neglectful changes in management regimes<sup>10,11</sup>
- Making the landscape less resilient to climate change.
- The erosion of the nation's historic environment such as the continuing ploughing of Scheduled Monuments, non-designated assets and the loss of historic field patterns through the removal of hedgerows<sup>12</sup>
- The loss of on-farm labour resulting in farm and estate woodlands not being managed nor contributing to the rural economy or environment.
- The loss of the distinctive variety in the landscape that defines this country and which creates a sense of place that has been invaluable for tourism.

4.2 The Committee might take the view that these impacts are the prices to be paid in exchange for a thriving agricultural industry. However the Farm Business Survey undertaken by The Andersons Centre in 2015 demonstrates that profits from, for example, cereal farming rely on 51 per cent coming from public expenditure with only 43 per cent generated by the sale of grain (the product). Despite the impacts above, the result is still a dysfunctional cereal farming market that's heavily reliant on financial support from the public sector.

4.3 In contrast to this list of negative impacts the LI can offer the Committee an example of arable and mixed farming on the chalk landscapes which recognises the power of natural systems as a

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<sup>2</sup> Boardman, J. (2013) Soil Erosion in Britain: Updating the Record. *Agriculture* 2013, 3, 418-442

<sup>3</sup> <http://publications.naturalengland.org.uk/publication/6738147345956864?category=587130>

<sup>4</sup> <http://www.bgs.ac.uk/research/groundwater/quality/nitrate/home.html>

<sup>5</sup> O'Connell, P. E., Ewen, J., O'Donnell, G. & Quinn, P. (2007). Is there a link between agricultural land-use management and flooding? *Hydrology and Earth System Sciences* 11(1): 96-107. DOI: 10.5194/hess-11-96-2007.

<sup>6</sup> [https://web.sbe.hw.ac.uk/frmrc/downloads/UR8\\_rural\\_Vol1%20signed%20off.pdf](https://web.sbe.hw.ac.uk/frmrc/downloads/UR8_rural_Vol1%20signed%20off.pdf)

<sup>7</sup> National Character Area profile 130: Hampshire Downs

<sup>8</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/343281/GHG\\_Mitig\\_FINAL\\_270214.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/343281/GHG_Mitig_FINAL_270214.pdf)

<sup>9</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/524551/agindicator-dd2-19may16.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/524551/agindicator-dd2-19may16.pdf)

<sup>10</sup> Natural Capital Committee (2013) *The State of Natural Capital: Towards a framework for measurement and evaluation*.

<sup>11</sup> Gonthier DJ et al. (2014) Biodiversity conservation in agriculture requires a multi-scale approach. *Proc. R. Soc. B* 281: 20141358.

<sup>12</sup> <https://historicengland.org.uk/research/research-results/activities/2d1>

central ingredient to the business plan of the farm<sup>13</sup>. The Cholderton Estate on the Hampshire/Wiltshire border is a 2,500 acre estate with a private water company, two dairy herds and a large arable holding. This thriving agricultural business relies on the biological diversity of its soils and an integrated crop management system to fix airborne nitrogen for the sustainable production of good food. No chemical-based controls or stimulants are used. The result is a productive agricultural estate with an outstanding landscape that is teeming with wildlife<sup>14</sup>. For example, as a result of the integrated crop management approach, the Estate supports a total of 18 species, out of a total 23 species in the UK, of bumblebee. This is in sharp contrast to 90 per cent of farms on the chalk where the landscape has become impoverished and many of the negative impacts described in paragraph 4.1 have extended far beyond the boundaries of the farm.

## 5. The Long Game

5.1 The LI welcomes the reassurance given recently by the Chancellor<sup>15</sup> to the farming industry that public investment into farming will continue. How this support may be given is the focus of our evidence. However, prior to the referendum, Defra announced its intention to publish a Food and Farming Strategy separately from a 25 year Environment Plan. The LI is one of a number of national organisations that recommended that these plans should be fully integrated in the future as one plan. We believe that this should become our proposed National Rural Land Management Policy and the withdrawal from CAP provides an excellent opportunity to do develop this idea. This will lead to a transformation of the way the countryside is managed to meet the needs of current and future generations.

## 6. LI response to inquiry questions

**What are the implications for UK biodiversity of leaving the EU, in particular the Common Agricultural Policy? To what extent do initiatives to support biodiversity in the UK depend on CAP-related payments? What risks and opportunities could developing our own agri-environment policy and funding present?**

6.1 Membership of the EU carries with it a reputation for being very supportive of actions to reverse the decline in biodiversity. Consequently some people and organisations are concerned that the UK will dismantle many of the EU directives that have been transposed into UK law. The LI argues that these directives were sometimes originated within the UK and the objectives would in any case have been legislated for here if the UK had not joined the EU. Certainly there is no evidence to suggest that those who voted to leave the EU did so because of a desire to dismantle environmental legislation.

6.2 By far the greatest damage to UK biodiversity has been caused by an agricultural industry supported by CAP<sup>16</sup>. Leaving the EU creates the first real opportunity for fifty years to

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<sup>13</sup> <http://www.cholderton-estate.co.uk/fp.php?id=648>

<sup>14</sup> <http://www.cholderton-estate.co.uk/fp.php?id=649>

<sup>15</sup> <https://www.gov.uk/government/news/chancellor-philip-hammond-guarantees-eu-funding-beyond-date-uk-leaves-the-eu>

<sup>16</sup> [http://www.ieep.eu/assets/2000/IEEP\\_Brexit\\_2016.pdf](http://www.ieep.eu/assets/2000/IEEP_Brexit_2016.pdf)

restructure the development of agriculture, and supporting research, to harness the power of natural systems as an asset and not an impediment to sustainable food production. It should be remembered that many of the richest habitats have been created by agriculture, including species rich chalk downland and lowland heaths.

6.3 CAP payments have led to the destruction of habitats and species loss. More recent payments to start a reversal of damaging impacts, through the Countryside Stewardship Programme, do rely on EU funds. However it was the UK that decided that 80 per cent of Pillar 2 should be directed at the agri-environment programme rather than Rural Social Development or Diversification of the Rural Economy – the other Axes of Pillar 2. The LI believes it is essential for the UK government to backfill after the removal of EU payments and invest more in the farming industry to re-establish the biological health of the entire countryside.

6.4 We see the greatest risk of developing our own agri-environment policy as doing so without the public fully understanding the need to help the farming industry transform its business, and without clear environmental and social, as well as economic, benefits being seen to be delivered as a result of public investment. The opportunities for sustainable rural development are endless, from developing a farming industry with lower costs and less dependence on non-renewable resources, to choosing to support biological rather than chemical agri-research, to the production of clean water and clean air, and a countryside where ecosystems are in balance and where resilience to unpredictable changes in climatic events is significantly improved. At the same time the LI would urge the government to fully integrate the new imperative for multifunctional outcomes<sup>17</sup> to be achieved by the management of land to include biodiversity objectives.

**How should future support for UK agriculture be structured in order to ensure there are incentives for environmentally-friendly land management? What are the positives/negatives of current schemes (e.g. Countryside Stewardship) that should be retained/avoided?**

6.5 The LI recommends a number of critical actions and these include:

- A new National Rural Land Management Policy articulated spatially at a landscape-scale underpinned by the work of Natural England on National Character Areas. This to be prepared by Defra and refined through consultation with the private and voluntary sectors and other public sectors across all interests.
- For all farms to respond to the Policy through Farm/Estate Management Plans, and for these to form the basis of a contractual relationship with the public sector in terms of investment and with funding to be mainly based on an automatic per hectare annual payment.
- For every farm/estate to have one point of contact in the corporate public sector, remaining consistent and reliable.

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<sup>17</sup> Foresight. The Future of Food and Farming (2011), Final Project Report. The Government Office for Science, London

- For the delivery of investment into specific schemes to be administered locally enabling greater collaboration between the private, public and voluntary sectors.
- Consideration to be given in the long-term to the devolution of central funded schemes under a scheme of delegation to modern Joint Committees under the Local Government Act (1972).
- Regulation of farm management remaining as a safety net only, with the emphasis of the new system based on positive partnership working.
- For all farms/estates to be encouraged to access the Countryside Stewardship Scheme. The national target for the scheme being 100 per cent of holdings.
- The Countryside Stewardship Scheme to change to agreements of at least 30 years.
- For a clear account to be published of the level of public investment and the range of public goods the investment generates, improving transparency and accountability.

6.6 There have been many references by the Government to working at a landscape-scale but to date there is no clarity as to what that means, at what scale and how it is to be defined. Defra has proposed a new framework for the administration of its 25 year Environment Plan based upon a mixture of river catchment and county boundaries. The LI suggests a different approach but welcomes Defra's decision to express and deliver its policy sub-nationally. As suggested above, the LI proposes using existing administrations more effectively and the National Character Areas profiles<sup>18</sup> (developed by Natural England) as the framework for fine-grained policy-making and delivery.

6.7 The existing administrations include National Park Authorities, Conservation Boards for Areas of Outstanding Natural Beauty (AONBs) and Joint Committees for AONBs. These organisations already cover 23 per cent of the countryside and are statutorily obliged to produce a Management Plan for their area under the Environment Act (1995) and the Countryside and Rights of Way Act (2000). However the majority of the relevant budgets for these plans are held and administered by central government departments and agencies. Despite an implied obligation to conform to these statutory management plans it is widely acknowledged that agencies such as the Rural Payment Agency and others fail to adhere to those plans in their respective delivery programmes. It is proposed that in the future the Management Plans for these protected landscapes set out an integrated agenda for both national and local policies – in effect a single articulation of policy.

6.8 Outside of the 23 per cent of the country designated as National Parks and Areas of Outstanding Natural Beauty (AONBs) with their own administrations the LI recommends making use of Joint Committees under the Local Government Act (1972). These could bring together small numbers of County and Unitary Authorities, along with representatives of the farming community and voluntary organisations to cover the remainder of the country. This arrangement will deliver local accountability for public investment into agriculture and create an opportunity for collaboration across the public, private and voluntary sectors for delivery. Initially government agencies (Natural England, Forestry Commission, Rural Payments Agency, and Environment

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<sup>18</sup> NCAs divide England into 159 distinct natural areas. Each is defined by a unique combination of landscape, biodiversity, geodiversity, history, and cultural and economic activity. Their boundaries follow natural lines in the landscape rather than administrative boundaries. <https://www.gov.uk/government/publications/national-character-area-profiles-data-for-local-decision-making>

Agency etc.) would deliver the new programmes that will replace the CAP/Greening of CAP and Countryside Stewardship, reporting to the Advisory Committee. If the Government decides to pursue local delegation of powers and resources this can be achieved through the Scheme of Delegation to the Joint Committees under the existing Natural Environment and Rural Communities Act (2006).

6.9 For place-specific policies and schemes of intervention we commend the work by Natural England on using the National Character Map as the framework (See paragraph 6.6 and footnote 16). These Character Areas have been created by people working with natural systems (natural capital) – the combination of geology, soil type, topography, micro-climate, habitats and water – for farm business development. The emphasis by Natural England has been on character, in a bold and important decision to link people with place, such as for the New Forest or the South Pennines. The disadvantage in using this language is that it implies purely a visual study though that is not the case since these 159 character areas are identified scientifically. But this approach would ensure the best way of targeting public interventions by setting out policies and securing effective delivery related to each character area, because of the grouping of similar natural conditions being brought together within the framework. With respect to Defra we believe that this approach will be more effective than using catchment as a target and delivery framework because catchment relates to a single issue (water management) and the boundaries are more obscure than those of the National Character Areas.

6.10 Finally the Committee might consider the delicate issue that surrounds regulation and public intervention over private farm land. The LI is proposing a more collaborative relationship with the farming industry by recommending clarity in the objectives of public intervention, financial support for the industry in paying for a range of public goods currently not supported in this way, proposing a single point of contact and working to a joint contract, banishing regulation to a safety net. However the LI believes that public intervention on private land is essential as too many of the actions by private owners have unintended consequences way beyond the boundaries of land ownership. These include the issues highlighted earlier in this evidence. These damaging outcomes reach well beyond the lives of the people making the decision to take the negative action and directly affect future generations.

#### **How should future UK agri-environment support be administered, and what outcomes should it focus on?**

6.11 The replacement national scheme of investment into the farming industry should be accountable locally in the way described above, through a combination of groups of County/Unitary Authorities forming Joint Committees and, where they exist, the administrations for National Parks and AONBs. The first phase should include government agencies working through the suggested accountability framework, with a view to establishing schemes of delegation to secure local delivery. The critical path would see these bodies to set the agenda at an appropriate landscape scale so that the farm/estate Management Plan would form the contractual relationship with the public sector. The delivery outcomes should include, amongst others:

- Sustainable food production – this will include further research and allow for long periods to enable transition from current unsustainable systems.
- Clean drinking water to be a product of farming for which the industry gets paid.
- Clean air to include the removal of greenhouse gas emissions and resolution of local issues such as spray drift.
- The restoration of the health of the nation’s soils as a critical legacy of the referendum.
- The transformation of the biological quality of every farm holding based on the Biodiversity Action Plan for each landscape scale. This to include both species and relevant habitats – targeting micro-organisms, invertebrates, mammals and birds alongside arable weeds to permanent species rich grassland transition through scrub and high forest, where appropriate.
- The natural sequestration of carbon.
- The water holding and slow release capacity of the land to improve resilience to extreme weather events, especially where urban areas, infrastructure and people might be affected by flooding.
- Area-specific Countryside Access Plans to support tourism, education and improved public health and particular support for the farming industry close to urban areas.
- Managing the framework for renewable energy to include biodiesel, bioethanol, biomass relating to landscape types, photovoltaic farms, wind farms, hydro-electric installations and other new technologies.
- The management of the historic environment for education purposes and to conserve the long term legacy of the nation.
- The restoration and enhancement of the variations in the distinctive characteristics of the landscape that define the nation (and local communities) and generate tourism.

**What are the prospects and challenges for future environmental stewardship schemes in the devolved administrations? How much divergence in policy between the nations of the United Kingdom is likely? How can divergence be managed?**

6.12 The LI proposes that a set of strategic objectives around sustainable food production and a multifunctional countryside might reach a consensus agreement across the UK. Any future scheme of public intervention will need to ensure no economic disadvantage is generated between devolved administrations. However there will be very contrasting differences in circumstances in specific areas across the UK and the recommended approach the LI is proposing can absorb those differences if the targets are retained as being determined by Character Areas. Special attention will need to be paid to the landscape issues that inevitably emerge from the border between Northern Ireland and the Republic of Ireland.

**What are the future risks and opportunities to innovative land practices, such as managed rewilding? What role can rewilding play in conservation and restoration of habitats and wildlife? What evidence is there to support the incentivising of such schemes in any new land management policies?**

6.13 The long term future of rewilding appears not to meet the Cross Compliance conditions attached to the Single Payment Scheme of CAP because of the difficulty of restoring the land to



acceptable levels of agricultural productivity. The main risk in any major rewilding approach will be associated with ensuring that sufficient productive land is available to sustainably feed the nation's population.

6.14 There is no doubt that managed rewilding should have a place in the management of the countryside provided that it is carefully thought through in terms of where it takes place. It will not be appropriate in all landscape contexts. Each of the National Character Areas will generate specific variations in the outcome of rewilding and will add to the rich variations in the landscape. It may be beneficial in some places, for example in those areas where the priority is to reduce flooding of urban areas, taking priority over intensive food production. Leaving the EU creates the opportunity to plan positively for rewilding but also to recognise that it may not be welcomed everywhere. Absorbing flood water and slow release of that water should be a valued outcome for which the farming community is paid. Rewilding also has many other benefits such as natural play by young people, reconnecting young people with natural systems, providing resources for improving health and wellbeing, for tourism and for wildlife/habitat restoration. All of these have benefits to the public for which the farming industry must be paid. Each of the National Character Areas will generate specific variations in the outcome of rewilding and will add to the rich variations in the landscape.

6.15 The depletion of micro-organisms in the soil and the reduced diversity, numbers of species and the level of mobility now restrict the potential for the comprehensive rewilding of landscapes previously farmed intensively. Further research may be needed to explore the depth of rewilding that can take place through no intervention, and consequently intervention might be considered necessary. Further research is needed to justify rewilding as a major outcome of our proposed National Rural Land Use Management Policy.