

Environmental Audit Committee

Future of the Natural Environment after the EU Referendum Inquiry

Written evidence submitted by the Dorset Local Nature Partnership
September 2016



Contact: Maria Clarke, Dorset LNP Manager
info@dorsetlnp.org.uk

Dorset Local Nature Partnership
Brooklands Farm
Forston, Dorchester
Dorset, DT2 7AA
Tel: 01305 264620
www.dorsetlnp.org.uk

Executive Summary & Recommendations

- There are real risks of losing the beneficial aspects of the current legislative and funding framework but also major opportunities to establish an agri-environment policy which improves on the best of the current system whilst learning lessons from the past.
- We would expect, in addition to this inquiry, there to be more detailed consideration of all of the environmental implications of leaving the EU, including biodiversity legislation and the freshwater and marine environments, all of which are underpinned and supported by EU-derived systems.
- We depend on natural systems for services and goods, including food production, as much or more than we depend on services provided by utility companies.
- Agriculture is by far the most important sector whose activities enhance or degrade the natural capital of soil, water and biodiversity that underpin natural systems.
- We have an opportunity to ensure agri-environment schemes deliver increased natural capital, facilitate high quality agriculture and beneficial public goods.
- We suggest that extensive and low intensity management, but not abandonment, could and should play a major role in conservation of Dorset habitats and be incentivised in agri-environment schemes.

1. Background

- 1.1 The Dorset Local Nature Partnership (Dorset LNP) was recognised by government in 2012. It includes a wide range of partners in public, private and voluntary sectors across Bournemouth, Dorset and Poole. The Dorset LNP exists to maximise the benefits to be gained from protecting and enhancing the unique natural assets of the area for people, wildlife and businesses, aiming to:
- Provide leadership for those working to protect and enhance the environment in Dorset.
 - Advocate the good management of Dorset's natural environment for its own sake and the many benefits it offers.
 - Articulate the importance of Dorset's natural environment to economic and social wellbeing in a manner appropriate to diverse audiences.
 - Ensure that the natural environment is taken into account in policy and decision-making.
- 1.2 We are submitting evidence to feed in the partnership's collective views and experiences to help shape the future of the natural environment at this critical and uncertain time.

2. Implications for biodiversity

What are the implications for UK biodiversity of leaving the EU, in particular the Common Agricultural Policy?

- 2.1 There is no doubt that this represents a watershed moment for the UK's environment and wildlife. There are real risks of losing the beneficial aspects of the current legislative and grant funding framework but also major opportunities to establish an agri environment policy which improves on the best of the current system whilst learning lessons from the pitfalls that have been encountered.
- 2.2 EU derived legislation provides the basis for the UK's highest levels of wildlife protection, pollution prevention, sustainable use and the provision of ecosystem services such as food production and water management. Environmental protection legislation should be transferred into UK law without being weakened. A recent You Gov¹ poll for Friends of the Earth demonstrated high levels of support for maintaining or improving current levels of environmental protection: overall, 83% of people said Britain should pass new laws providing better (46%) or the same (37%) protection for wild areas and wildlife as current EU laws, with only 4% wanting lower protection.
- 2.3 We would expect, in addition to this CAP-focussed inquiry, there to be more detailed consideration of all of the environmental implications of leaving the EU, including biodiversity legislation, water management and the freshwater environment and the marine environment and fisheries, all of which are underpinned and supported by EU-derived systems. The proposed Government 25 Year Plan for the Natural Environment needs to address these issues.
- 2.4 Without continued financial support, it will not be possible to sustain the significant environmental management which is now funded from the CAP. Without what is currently Pillar 2 support funding, for example, high biodiversity value farmland and nature reserve condition could decline or be lost altogether. Likewise a reduction in funding currently received through EU R&D programmes would damage knowledge of the status and management of the natural environment.
- 2.5 Alongside these benefits, there has been an undoubted down side from the CAP for the natural environment, particularly in the early days. The system of EU payments came from an imperative for food production and supported more efficient agriculture, which was also more intensive with less space for nature and was instrumental in degrading wildlife and the natural environment. Intensive agriculture has been identified as the largest negative driver of biodiversity change in the UK².

¹ www.foe.co.uk/sites/default/files/downloads/yougov-survey-brexit-environment-august-2016-101683.pdf

² <http://journals.plos.org/plosone/article?id=10.1371/journal.pone.0151595>

To what extent do initiatives to support biodiversity in the UK depend on CAP-related payments?

- 2.6 If farm businesses are profitable, much can be done to support the environment through self-funded initiatives (see point 4.6). But if not, only direct environmental payments will be effective. Many landowners, including environmental organisations, receive payments which are CAP derived to maintain habitats in favourable condition.
- 2.7 CAP-related payments support healthy functioning ecosystems, and the protection and recovery of key habitats and species.
- 2.8 Conversely, initiatives to support biodiversity have sometimes been undermined by CAP-related payments.
- 2.9 Only around one sixth of payments have been channelled through ‘Pillar 2’ of the CAP via agri-environment schemes. ‘Pillar 1’ payments have provided regulation via cross compliance to ensure basic industry standards and regulate the environmental impact of agriculture. Pillar 1 also requires delivery of three ‘greening’ measures, including Ecological Focus Areas, which although welcome, have been limited in their delivery of improved environmental outcomes.
- 2.10 Land managers who own wildlife rich sites (Sites of Special Scientific Interest (SSSI) and Local Wildlife Sites – termed Sites of Nature Conservation Interest (SNCI) in Dorset) have been able, to apply for agri-environment schemes to help to make the management of them more cost-effective. CAP funding has been important because the net costs of management tend to be higher than on other agricultural land.
- 2.11 Other EU legislation and funding is also important in supporting biodiversity including the Water Framework Directive (WFD), a significant driver behind work to improve our river and wetland environment, site protection legislation and funding through LIFE and LEADER.

3. Developing a new agri-environmental policy

What risks and opportunities could developing our own agri-environment policy and funding present?

- 3.1 We depend on natural systems for services and goods, including food production, as much or more than we do on the energy, water and other services provided by utility companies. Agriculture is by far the most important sector whose activities enhance or degrade the natural capital (stocks) of soil, water and biodiversity that underpin these natural systems. The environmental costs of agriculture are large and substantially external to the industry (i.e. they are mostly not borne by farmers but by wider society). These damage costs represent regulatory failure. Public payments to incentivise agriculture to avoid degradation costs are illogical (the polluter pays principle needs to be applied). However, remediation of past damage and enhancement by ecological restoration increases the stock of natural capital and

justifies public payments. The case is strong for greater investment in environmental restoration and a resulting increase in natural capital.

3.2 Risks:

- That the UK does not retain as strong a, or stronger, framework as the EU Nature Directives do now.
- That the approach taken is not based on sound science and is not a practical approach on the national scale.
- That there are reductions in budgets compared with current agri-environment funding and EU programmes such as LIFE, Interreg and LEADER.
- That a future agricultural policy is not ambitious enough to halt and reverse trends for decline in key species that depend on the farmed environment.
- That there will be a significant reduction in environmental management across the countryside.

3.3 Opportunities:

- To influence environmental support on farms, for the public benefit.
- To dispense with unhelpful aspects of the CAP without losing the benefits and create something positive.
- To base policy on science, good research and experience on the ground.
- To create a more ambitious, imaginative and sustainable policy which provides a greater opportunity to farm sensitively. To be competitive on a global stage, we have an opportunity to produce better products. We can champion quality not quantity in our trade deals with the wider world through producing high welfare, low input livestock and high quality arable products.
- To reward land managers for outcomes using payments for ecosystems services based on water quality, carbon storage, flood management, public access, health and wellbeing, abundant nature and healthy soils.
- To ensure much better integration between catchment and flood management and biodiversity objectives.
- To ensure schemes are streamlined and simpler to administer.

4. Future incentives for ensuring environmentally-friendly land management

How should future support for UK agriculture be structured in order to ensure there are incentives for environmentally-friendly land management?

- 4.1 The evidence base for successful outcomes from agri-environment schemes under CAP is mixed and the transaction costs borne by Government and farmers alike have been high. A critical analysis of possible options was overdue before the Brexit vote and is now urgent. This needs to be imaginative and ambitious. It needs to address landscapes holistically and not evolve in to a long pick and mix selection that delivers low aggregate benefits at the landscape scale and incurs high administrative and inspection costs. However neither should it be so fixed on achieving multiple benefits that it does not allow small individual land holdings to make limited contributions that contribute cumulatively and be paid for them.

- 4.2 The priority is to make sure that the right things are done in the right place i.e. that the land type is suited to the production type and systems. It means, for example, retaining NVZs, halting production on land that is eroding, keeping maize off fragile soils and slopes and controlling stocking densities and grazing periods.
- 4.3 Land managers should be rewarded for the public goods they produce rather than being based on income foregone.
- 4.4 Payments should be based on specific well-researched measures and incentive top-up payments for outcomes, much as now but more so.
- 4.5 Clear policy definitions should be in place i.e. avoid confusion between one set of environmental aims (wildlife restoration) and another (carbon reduction) as at present. Allowing environmental tests to be met by planting beans (minute saving in carbon, possibly having an impact in 100 years time) while wildlife is declining sharply right now is not good value for money.
- 4.6 The system established should also allowed for collaboration and sharing of best practice between neighbouring farms or 'farmer clusters'. Experience has shown that being able to facilitate mutual re-enforcement of beneficial behaviour (ie peer pressure) is of great value. This is something which the Farming and Wildlife Advisory Groups were established to do, and achieved major benefits at a time when the pressures for destruction of wildlife habitats in the agricultural environment were huge. More recently the Marlborough Downs Nature Improvement Area, and farmer clusters in the Cranborne Chase area, have taken this approach, creating the environment to allow this bottom-up approach to thrive. What is needed through schemes is the funding for facilitation and for specialist advice.

What are the positives/negatives of current schemes (e.g. Countryside Stewardship) that should be retained/avoided?

- 4.7 Negatives:
- Confused and conflicting priorities.
 - Bureaucratic complexity for low financial reward.
 - Lack of trust – i.e. fear of EU fines leading to threats of fines to participants which are likely to discourage innovation or even entry into the scheme.
 - Lack of local flexibility – one size fits all approach, lack of targeting to Local Wildlife Sites and little liaison with local partnerships such as Local Nature Partnerships and Catchment Partnerships. Local Nature Partnerships need to be valued and supported in helping to drive positive change in the local natural environment.
 - Limited ability to grant aid advice to individual owners from local advisors such as Wildlife Trusts or Farming and Wildlife Advisory Groups.
 - Late payments.
 - Short term nature of schemes: 5 years is too short, both for ecological gains and for landowners to commit, especially to habitat creation.

- 4.8 Positives:
- Payments for positive management of priority habitats.
 - Direct payments for specific measures.
 - Support for farmer clusters and similar.
 - Landscape scale measures.

5. Administration

How should future UK agri-environment support be administered?

- 5.1 A simple scheme should be set up based on measures adopted and bonuses for results.
- 5.2 It would be helpful to include the ability to pay local advisors external to NE/RPA, because these organisations often have more detailed local knowledge and have been shown to deliver better quality agreements for the environment, which are suited to the farm's capacity to deliver results.
- 5.3 A new agriculture policy that has as one of its aims a restoration of farmland wildlife will need to be pragmatic if it is going to work. The grass-roots/bottom upwards element must also be nurtured and supported by the new policy if it is to deliver the wildlife goods. Farmer clusters and the like need support to nurture the willingness to do something positive and advise on the best courses of action.
- 5.4 Advice, enforcement, review, monitoring and evaluation all remain important.

What outcomes should it focus on?

- 5.5 Wildlife and habitat outcomes should be the highest immediate priority, meeting Biodiversity 2020 (or future equivalent plan) targets. These will also deliver for outcomes such as heritage, soil and flood protection, landscape etc., though there will be areas where for example purely heritage-based measures are needed of course.
- 5.6 Whilst the overall outcome should be landscape scale and holistic, the schemes should not be so fixated on multiple outcomes that they exclude schemes of great benefit to one objective only. Budget constraints have meant that agreements are often targeted to areas with multiple benefits, unless they have SSSI land. This means that smaller farms with lower capacity for multiple benefits lose out. However the State of Nature report tells us that the wider countryside (beyond SSSIs) measures are absolutely critical to reversing declines in wildlife, and we do not seem to have cracked it with the schemes used so far, though they have undoubtedly prevented an even worse situation.
- 5.7 Public goods/ecosystems services (flood alleviation, soil health, quality products, wildlife etc.).

- 5.8 Fulfilling Lawton principles and delivering landscape scale enhancements to restore and create resilient landscapes.

6. Devolved administrations

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?

- 6.1 It is likely that there will be divergence and that different jurisdictions have different priorities which can be approached in different ways. A dynamic system where schemes learn from each other and continuously improve could be beneficial.

7. Rewilding

What are the future risks and opportunities to innovative land practices, such as managed rewilding?

- 7.1 An agreed definition of rewilding is the first essential because it means different things to different people, for example do we mean “Monbiot” rewilding or “Knepp” rewilding? The former is problematic in Dorset where our most precious habitats rely on management, the population is dense and land ownership varied and complex. It is confusing to re-brand the land management that many farmers and conservation organisations have been doing for years such as extensive low intensity grazing as ‘rewilding’. An intensive farm where management is changed, but not abandoned, to allow recolonisation of habitats and species could be seen as rewilding, but restoration might be a better term. If the owner wants to brand it as rewilding to encourage nature tourism that is their choice, but we would suggest that UK agriculture policy should steer clear of this terminology.

7.2 Risks:

- Some aspects could be very expensive.
- Much of our wildlife is the result of intervention. There is so little left of the most precious habitats, e.g. priority unimproved grasslands and funding available for management measures should be prioritised here. Possibly some other areas with currently low biodiversity interest could be allowed a more relaxed regime to benefit wildlife and catchment management.
- Risk of losing what we currently value - for most open habitats in Dorset pulling out entirely would be harmful.
- There is a danger that areas look uncared for and therefore become misused / abused, and then later are seen as an eyesore suitable for development.
- If we left many Dorset sites to their own devices they would fill with rhododendron and other invasive species.

7.3 Opportunities:

- Benefits for ecosystem services such as catchment management, if well planned not just abandonment of land.

- Removing a requirement for constant intervention could be more sustainable in management terms.
- Farming does not have the resources to manage some areas.
- Having a mosaic of habitats has in some landscapes just disappeared.
- Significant opportunities on large lowland estates if the landowner sees fit.

7.4 Moving away from rewilding, innovation in farming/food production will be constantly evolving and could be very positive for wildlife, maybe even freeing up significant areas for lower intensity management if it is well planned. It would need to be very carefully planned, regulated and zoned to ensure improvements to catchment management and biodiversity are achieved in reality.

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?

7.5 Please refer to point 7.1 regarding the definition of rewilding. We would suggest that extensive and low intensity management, but not abandonment, could and should play a major role in conservation of Dorset habitats and be incentivised in agri-environment schemes. For example, a relaxation and local flexibility in some cases as to sward height or how much scrub is allowed on agreement sites (only where the grassland is of relatively low interest) would be helpful.