

Report to	Policy & Resources Committee
Date	20 July 2017
By	Director of Countryside & Policy Management
Title of Report	Future of Farming in the South Downs National Park

Recommendation: The Committee is recommended to

- 1) Note the progress being made by National Parks England with regard to the future of farming and the development of new agri-environment schemes within England's National Parks post the United Kingdom's withdrawal from the European Union (Brexit).**
- 2) Note the progress made by the South Downs National Park Authority in engaging farm clusters to build the case for a pitch to Defra for a pilot scheme to be tested here.**

1. Summary and Background

- 1.1 The purpose of this report is to provide an update to the Policy and Resources Committee on the work of National Parks England (NPE) and the South Downs National Park Authority (SDNPA) on the possible implications for the South Downs National Park (SDNP) with regard to future changes in agricultural policy and funding.
- 1.2 Most land in the English National Parks is used for farming. In the SDNP, 85% is classified as farmland and much of the remainder is forestry, which will also be covered in any future policy and funding. It is predominately the impact of agriculture on the natural features of these areas over many centuries that has shaped the landscape and led to their designations. However, it is also the case that intensive farming practices have had and continue to have negative impacts on the environment. It is therefore essential that the future agricultural policy and financial framework post the United Kingdom's (UK) withdrawal from the European Union (EU) is focused on sustainability; environmental, social and economic. Without a robust and progressive policy, one of the most powerful levers to support National Park Purposes and the Partnership Management Plan Outcomes will be missing.

2. National Policy and Positions

- 2.1 The Environmental Audit Committee has published the report of its inquiry into the implications of Brexit – its principle recommendations are twofold:
 - The need for a UK Environment Protection Act to ensure that UK regulation after we leave the EU is as at least as strong, or stronger, than that afforded by the Habitats Directive and other key European legislation.
 - The need for clarity about the sort of land management payments scheme which could replace the EU Common Agricultural Policy (CAP).
- 2.2 The Queen's Speech at the recent opening of Parliament includes a commitment to legislation to enable the UK Government to make agricultural support payments once the UK leaves the CAP (with Ministers having guaranteed the existing level of payments until

2022). It is also welcome news that the Department for Environment, Food & Rural Affairs (Defra) has re-stated its intention to produce a 25 year plan for the environment, although there is no indication as yet of the likely timetable. There is, however no commitment to an Environment Bill as called for by all the major national Environmental Non-Governmental Organisations.

- 2.3 The appointment of Michael Gove as the new Secretary of State at Defra will increase the profile and political clout of the Department as the Brexit negotiations begin. He has made a number of clear statements on the importance of protecting the environment and raising standards. On the BBC Radio 4 Today Programme on 19 June, for instance, he stated that “getting out of CAP means that we can ensure that our farmers are better protected than ever before. We can also ensure that we have higher environmental and animal welfare standards.” There were no other changes to the Ministerial team at Defra, which means that Lord Gardiner will continue as Minister responsible for National Parks and George Eustice for Agriculture.
- 2.4 The National Farmers Union (NFU) and Country Land and Business Association (CLA) continue working behind the scenes on their policy positions. The CLA in particular is talking about the future in terms of landowners providing natural capital and ecosystem services and having a wide range of economic activities.
- 2.5 The environmental non-governmental organisations continue to set out their ideas for the future (which are not dissimilar to the CLA’s). For example, in a joint report Green Alliance and the National Trust have talked of a Natural Infrastructure Scheme (NIS) which would see landowners paid, for example, to deliver “slow, clean water” and flood protection (ecosystem services).

3. National Parks England (NPE)

- 3.1 History shows that that farming systems can be negative as well as positive for the environment so it is important that the future policy and financial framework within which farming operates is focused on sustainability in environmental, economic and social terms.
- 3.2 Farming is a key part of the economy of National Parks. In 2016, public investment into agri-environment schemes (Pillar 2 of the CAP) in the English National Parks accounted for £67m, and this is in addition to the much larger basic payment scheme (Pillar 1). In National Parks, sustaining viability of the farmed environment will depend on all support strands combined with income from selling commodities like meat, grain and timber. If public investment is reduced it could have a significant impact on our rural communities and the cultural traditions that are part of the social fabric of our National Parks.
- 3.3 EU exit will mean that the current level of investment in farm support (approximately £3bn) by being part of the CAP will be strongly challenged. There will be many in Government and outside who see an opportunity to redeploy some or all of this expenditure to health, education, housing, or defence. This means there will need to be very clear justification that future spend on agriculture delivers better value for money: “public money for public goods”.
- 3.4 NPE established a Member-led Future of Farming task and finish group to provide advice to the NPE Board on its strategic priorities in relation to farming post the UK leaving the EU and to set out the case for supporting environmentally sustainable farming in national parks and the pursuit of National Park purposes. The group was chaired by Jim Bailey (North York Moors NPA Chair) and its members included Sebastian Anstruther from the SDNPA.
- 3.5 Shortly before Purdah NPE submitted a paper to Defra based on the work of the above group (**Appendix 1**). This paper sets out the fundamental importance of sustainable agriculture to Protected Landscapes, some broad ideas for how any new scheme within National Parks could be designed, and includes an offer to Government for NPAs to pilot new approaches and build on existing experience of farmer-led schemes in National Parks: for example in Wensleydale, in the Yorkshire Dales and with the Dartmoor commoners.

- 3.6 The starting point for the NPE paper is for National Parks to remain as living, working landscapes where sustainable farming systems are playing an active role in delivering a wide array of public benefits and that the farmers or land managers doing this work are rewarded for these services. In addition, it argues that NPAs should play a much larger role in designing, delivering and monitoring new agri-environment schemes – tying all elements together in a holistic farm approach to agricultural support. The role of NPAs could be as ‘environmental broker’, helping to co-design (with the farming and land management community) schemes, encourage their take up, demonstrate that they are working (or not), work to secure new sources of funding for environmental services and promote the benefits of these schemes to those who visit and enjoy our National Parks. The NPE paper was acknowledged by Defra but given the recent General Election and other events it may be a while before a response is provided.
- 3.7 The NPE Future of Farming task and finish group has now been wound up, but the advocacy of these issues is being vigorously pursued by Kevin Bishop (CEO at Dartmoor NPA) and Paul Hamblin of NPE. They have been meeting senior officials at Natural England, the CLA, the NFU and of course Defra. The objective is to secure a meeting with the Minister at which the idea of pilots within National Parks can be pitched.

4. **South Downs National Park Authority (SDNPA)**

- 4.1 In parallel with the above, and as agreed and overseen by our own Member Working Group on European Exit, the SDNPA appointed a consultant and has recently held three farm cluster workshops (at Sullington, Meonstoke and Plumpton) to consider the future of farming in the South Downs and develop a proposal for pilots. All three events followed the same format and had two aims:
1. To identify the particular strategic priorities with regard to the future of farming in the South Downs National Park post Brexit.
 2. To consider the opportunities for piloting options of a new agri-environment scheme, once the current system under the CAP is no longer relevant, both its content and how it would be delivered.
- 4.2 All three workshops were well received by the farmers who attended and have generated lots of ideas. A high-level summary is provided in **Appendix 2**. Next steps are to pull the findings from all three workshops together and develop potential options (with a smaller farmer working group) for piloting a new scheme(s) which can then be presented to Defra.

5. **P&R Committee / Planning Committee / NPA Considerations**

- 5.1 The SDNPA Members’ European Exit Working Group (Norman Dingemans, Sebastian Anstruther, Janet Duncton, Margaret Paren, and Ian Phillips) has met on a number of occasions to discuss and agree how it supports NPE on this topic and provide a steer for the work that the SDNPA is undertaking at a local level.

6. **Other Implications**

Implication	Yes*/No
Will further decisions be required by another committee/full authority?	It is possible that as specific proposals are developed approval maybe required by the relevant SDNPA Committee. The Working Group will continue to meet and will make recommendations to the SDNPA if required.
Does the proposal raise any resource implications?	A budget of £50k per annum for the next three years (2017-20) has been identified for this work. This is subject to approval as part of the Authority’s budget setting process. Should a pilot be agreed with Defra this would need to be funded by Government in addition to the above

How does the proposal represent Value for Money?	An approach to the development of agri-environment schemes that aligns with National Park purposes ensures that resources will also contribute to the National Park's outcomes.
Are there any Social Value implications arising from the proposal?	None arising directly from this report / recommendation.
Has due regard been taken of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	Yes. No equalities implications arise directly from this report / recommendation. The next stage of this work may require a full equalities impact assessment which will be undertaken at the appropriate time.
Are there any Human Rights implications arising from the proposal?	None arising directly from this report / recommendation.
Are there any Crime & Disorder implications arising from the proposal?	None arising directly from this report / recommendation.
Are there any Health & Safety implications arising from the proposal?	None arising directly from this report / recommendation.
Are there any Sustainability implications based on the 5 principles set out in the SDNPA Sustainability Strategy: 1. Living within environmental limits 2. Ensuring a strong healthy and just society 3. Achieving a sustainable economy 4. Promoting good governance 5. Using sound science responsibly	The development of agri-environment schemes that support and contribute to National Park purposes supports all 5 principles of the SDNPA sustainability strategy.

7. Risks Associated with the Proposed Decision

- 7.1 Risks associated with Brexit are captured in the corporate risk register which will be reviewed by this Committee. The working group and the proposed way forward set out in this report are identified as mitigations in that risk.

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Appendices
1. NPE Future of Farming Report
2. The Future of Farming in the South Downs National Park, Farmers' Workshops - Brief Report

SDNPA Consultees Director of Countryside Policy and Management;

External Consultees None

Background Documents None