

CONSULTATION QUESTION SECTION

ABOUT YOU SECTION

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GENERAL QUESTIONS

Please indicate whether you are responding as: (Please tick) An individual On behalf of an organisation

Please indicate which of these best represent you or your organisation [Please tick all that apply] Farming Forestry Environmental interests Tourism/hospitality Food and timber supply chains Public sector Private sector Third sector Trade Union/Representative j. Other, please specify below

Game & Wildlife Conservation Trust¹ response to Welsh Government consultation on

"Brexit and our Land"

Executive Summary

We have considered the questions posed in each chapter of the consultation document and have sought to address them where there is a simple and straightforward answer. However, as expressed to Tim Render and Peter McDonald at our recent meetings, we are concerned that the detailed questions posed may not provide the answers needed by Welsh Government given the integrated and complex nature of the interaction between farming and environment, and in our view this limits our ability to make valuable observations.

Particularly, we would like to highlight:

- 1. We support in principle the direction taken by Government in the consultation document but have concerns about the adoption of two support schemes. We are concerned that this approach has unintended consequences such as placing farming and food production into silos and creating confusion where overlapping benefits exist.
- 2. It is imperative that to deliver the best outcomes for the public and our natural resources that the two_scheme approach does not become a barrier to delivering multiple benefits.
- 3. We support the decision to remove direct payments for farmers but are concerned that the current environmental benefits delivered to society by cross-compliance and greening measures will be lost. Modifying the current greening requirements to underpin the delivery of soil health and farm biodiversity benefits is proposed. Such benefits could be delivered by a voluntary Foundation Scheme as proposed by the GWCT whilst also providing basic support to farm businesses.
- 4. Future Welsh land management policy should focus on achieving the widest possible farmer participation by ensuring that any scheme adopted is farmer-led, with a bottom-up approach to maximise engagement. Our experience is that farmer-driven choices increase motivation to achieve conservation goals and result in better outcomes.
- 5. Training and advice is discussed particularly in Chapter 6. While we believe that mechanisms already exist for providing relevant advice to the farmer in some areas, we see great value in the provision of advice and training to farmers in the establishment and management of agrienvironment schemes, where initial training is important in achieving the desired outcomes.
- 6. We think that leaving the CAP provides us with a unique opportunity to re-invest in one of our important national assets, our soils. Incentivising increases in soil organic matter, conserving nutrients and reducing their losses and improving soil structure and water holding capacity should become part of a national agricultural strategy, for now and for future generations.

¹ The Game & Wildlife Conservation Trust (GWCT) is a leading UK charity conducting conservation science to enhance the British countryside for public benefit. For over 80 years we have been researching and developing game and wildlife management techniques. We use our research to provide training and advice on how best to improve the biodiversity of the countryside. We promote our work to conservationists, including farmers and landowners and offer an on-site advisory service on all aspects of game and wildlife management, so that Britain's countryside and its wildlife are enhanced for the public benefit.

7. We are concerned that all public goods need equal treatment and that it will be important to value the public good regardless of any gain in animal welfare or other economic related area. Welsh Government must not prioritise one public good over another and be prepared to consider how it will manage conflicting outcomes such as Climate change v's biodiversity. For example, it may be deemed the easiest way to sequester carbon would be to plant trees on the moorlands of Wales but in doing so we would lose the moorland habitat and species that are valued (and in some cases at risk) as public goods.

We would like to draw Welsh Government's attention to our vision for the future of farm support as we believe that it delivers the ambitions expressed in this consultation without causing the unintended consequences of the proposed two scheme system.

The GWCT vision for farm support

Farmers and land managers are stewards of the landscape and with this role comes responsibilities towards wildlife, the environment and ecosystem services which should be recognised and supported. As with any business, adjustments to benefit the environment and their success will be more readily made if these are financially supported and if the driving force behind the change is farmer-led.

The GWCT vision for a land management programme in Wales is based on a simple, voluntary, tiered scheme with a light regulatory touch to achieve the widest possible farmer participation and which rewards outcomes for nature, the environment and society.

This commences with an 'entry level' voluntary Foundation Scheme open to all farmers and land managers where payment is related to the delivery of basic environmental standards such as currently included in the statutory management requirements and good agricultural practice (and therefore a strong overlap with the Basic Measures concept). These are often statutory requirements eg hedgerow or rights of way management but are a cost to the farm business and so supporting their delivery would ensure not only the retention of key environmental goods currently delivered by cross-compliance but also provide a basic level of farm support against which farmers could leverage additional investment to improve productivity, environmental delivery etc as envisaged in the Economic Resilience Scheme.

This foundation scheme is underpinned by a single yearly inspection paid for by the farmer with payment triggered after the review. This is critical in maintaining public confidence that the support provided is delivering real environmental benefits something the Basis Farm Payment did not adequately address.

The next tier, attracting additional levels of financial support, comprises an Environmental Land Management Scheme to support the delivery of species, biodiversity and other public goods based on personalised or predetermined packages. This scheme should begin with inclusive and highly valued elements such as establishing three metre farm boundaries against neighbouring property. This is something which has been missing in previous schemes and is greatly desirable not only for delivering a continuous wildlife corridor (rather than fragmented internal boundaries) but also that farmers are more willing to allow boundary hedges with neighbouring properties grow wider and larger which will aid biosecurity and stop nose to nose contact with neighbours' livestock. This element would also begin wider collaboration with neighbours required to get agreement for farm boundaries and fencing on two separate farm holdings.

The highest tier is the collaborative scheme which would support landscape and catchment scale benefits to soil, water and wildlife.

More detail on the GWCT vision for the land management programme in Wales is provided in Appendix 1. In addition, we would be delighted to meet with Welsh Government to explain our thinking further.

For public goods to be delivered on farms the farming business needs to be in a financially stable situation. It has been said that a farmer cannot be green if he is in the red. For this to work, there needs to be a clear message that delivering public goods will pay the bills in the short, medium and long term. It is important, therefore, that Welsh Government land management policy recognises environmental delivery on the farm as a cost centre in a similar vein to the costs of food production. This is going to need a completely different way of working with commitments to do so from Welsh Government as well as the demand that land managers must change.

This is easy to overcome if we recognise sustainable food production as a public good. The best possible outcome for the public is that we are able to be as close to self-sufficient in sustainable indigenous food production as possible, not only for economic reasons but for carbon and biodiversity on a global scale. Does Welsh Government have sustainable food production as a goal or is Government prepared to focus on cheap food in some areas and public benefits in others? If we are truly going to change the way that agriculture operates in Wales we need to recognise that there is no significant sustainable food market and therefore it will need support if that is a required outcome. For example, if we want cattle on the uplands of Wales to deliver biodiversity benefit, this will not be possible without some additional support. It would be a travesty and a total contradiction of our thoughts on waste should these animals not enter into the food chain, kept for a single purpose of delivering environmental benefit rather than delivering multiple benefits. Therefore, to deliver the best public benefits not only for habitat and biodiversity but also climate change (not wasting resources) and delivering truly sustainable beef there will need to be a public benefit-based payment. In the next sections we address individual aspects of the consultation.

Chapter 4 – Land Management Programme for Wales

The proposed new land management programme (Q1): The GWCT believes that separating out economic resilience and public benefit in two separate schemes will cause unintended consequences:

- Overlapping benefits. It is imperative that to deliver the best outcomes for the public and our natural resources that the two-scheme approach does not become a barrier to delivering multiple benefits. This has been the case in the past. For example, a tick eradication programme to reduce the number and impact of ticks on ground-nesting birds which also delivered benefits to human health (ie would qualify for the public goods scheme) and animal health (ie would qualify for the economic resilience scheme) was excluded from a Sustainable Management Scheme on the basis that it delivered benefit to agricultural production by improving animal welfare. Any future scheme must not exclude multiple benefits but welcome them from both schemes rather than pushing an applicant from pillar to post so that the applicant loses the will to pursue a worthwhile outcome. Furthermore which scheme would fund the programme?
- Limit innovation and the development of integrated farming systems. We are concerned this approach prevents the integration of the delivery of public goods with the desire to support food production. Welsh Government must focus on the required outcomes and ensure that no obstacles block innovative approaches which deliver on both economic and public goods such as conservation, integrated and organic farming systems. It is also imperative that new ideas and approaches should not be disregarded because the field officer has not come across them before. For example, here was a case with a Glastir application where the farmer had to withdraw when the Glastir officer insisted that the waste stabilisation ponds which had been dug to collect dirty water off yards had such high biodiversity value that he was told he could not continue to put dirty water into them.
- Delivering to public expectations. The public expects high animal welfare and environmental standards; this must be recognised as public goods as producing food to this standard has economic implications which make it harder to compete on price in a world market. For this reason separating sustainable food production from public goods will make delivering the publics real preferred outcomes harder.

Ensuring tenant access to new schemes (Q2): This part of the response is outside GWCT's core area of expertise, but we suggest there is a clear need to consider that in the past the underlying reason why a landlord was reluctant for a tenant to enter a scheme is that the scheme outcomes could have the potential to devalue the capital asset. For example, by allowing land to be depleted from good agricultural production to marginal production through management extensification would significantly devalue the land. It cannot be right that a third party can negatively affect a person's asset value and receive a payment for doing so. This is further demonstrated with Sites of Special Scientific Interest designations which result in the capital asset value of the land falling by half in most cases and the potential to earn from the land is also significantly reduced. For this reason, farmers/landowners will do everything in their power to avoid designation of land.

The solution is to move to a future where the most environmentally valuable land has the highest capital asset value and produces higher income. If the public value public goods, such as the environment over the production of food, then the market should reflect this.

By refocusing our goals to ensure that land with the most valuable habitat becomes the highest value land, problems such as the reluctance to allow tenants to enter into schemes or farmers taking action to ensure that land is not designated would be turned around and farmers would strive to create environmental benefit.

Chapter 6 – Public Goods Scheme

The GWCT supports Welsh Government's policy to pay farmers for the provision of public goods. However, rather than address the questions posed we would like to make the following observations:

Parameter 1 - Scope of the scheme: We welcome the consideration given to the scope of the scheme in the consultation document but would like to emphasise the importance of recognising the inter-relationship between all environmental outcomes listed and that the relative importance of each option within that 'inter-relationship' will alter by region reflecting different soils, geology, farming systems etc. For example, climate change mitigation and improvements in water quality benefit from measures to improve soil health and increase biodiversity.

This is also an important point when considering consultation question 13 and prioritising the delivery of multiple benefits. Our concern is that some public goods may receive undue focus to the detriment of others. For instance, there is great public interest in wildlife with many people subscribing to organisations which protect and conserve species, yet there is little public interest in the soils which support all terrestrial ecosystems; GWCT believes both have equal importance. Furthermore, in our opinion, landowner, land user and local consultation is of paramount importance in deciding what should take priority. The Sustainable Management Scheme has provided a platform which enables the local community to get engaged in the public benefits being delivered from landscape scale projects particularly in the moorlands of Wales. These collaborative schemes have brought landowners into public and government engagement where there has been none for multiple generations. Funding offered can influence the direction of development whether for carbon or biodiversity or a combination. This should be done in conjunction with advisors chosen by the landowners, farmers, land users and local community. It can link with and provide information to Area Statements with an outcome-based design already having been established.

We would also highlight that whilst public access is desirable given the current level of public disengagement, Welsh Government should not ignore that in some habitats there can be a negative impact on flora and fauna. We would suggest that there should be continued focus on engaging the public at a young age and that the current school syllabus gives much opportunity for this. We support the continuing involvement of Eco schools, SMS schemes, Open Farm Sunday and other initiatives in engaging with the young and families and would suggest that educational access payments are not limited to any higher tier scheme.

Parameter 2 – Open to all: The approach for making payments must reward farmers for management and maintenance of **existing** natural resources as well as the creation of preferred

outcomes. Many farmers have already delivered exceptional outcomes on their land and will now require recognition of the work that is required to maintain these habitats and other outcomes. If it is only farmers who are starting from a very low baseline of poor delivery of public benefits that are rewarded for their actions, there will be little reassurance that delivering public goods will result in long term financial stability. Those who have already created great public benefit on their land must be rewarded for having created and maintained that positive state. For example, where there are tall wide hedges surrounding fields you could argue that they require less maintenance on an annual basis than a three-foot tall regularly trimmed hedge. However, farmers consider it to be financially onerous to have large overhanging hedgerows that provide far greater environmental benefit rather than neat small ones.

The desire to make the schemes open to all is welcomed but in order to attract land managers into the schemes (relevant to Q9 of the consultation) it will, in our view, be important to consider the following:

- The scheme should be farmer-led, with a bottom-up approach to maximise engagement. Our experience is that farmer-driven choices increase motivation to achieve conservation goals and result in better outcomes.
- Outcome-focused schemes should be flexible to allow personalised packages and in-scheme alterations/adaptations.
- Relevant, practical advice to farmers is also important in the establishment and management of agri-environment schemes. Our experience is that this is valued by farmers particularly with respect to agri-environment schemes where initial training is important in achieving the desired outcomes. Whilst mechanisms already exist they need to be staffed by knowledgeable personnel with the ability to tailor schemes to individual farm requirements. It is also important that farmers and those working on the ground get to choose their advisers and that any support of training and advice does not have the effect of destroying existing working relationships between advisers and their clients but supports what is already in place. The simplest method may well be to include a payment to the applicant (farmer/landowner etc) as a contribution for them to choose and engage the advisor for which a minimum service is required rather than the complexities of government having to appoint and approve deliverers through a secondary body such as Menter a Busnes.
- GWCT has expertise in developing farmer-led schemes and would be well-placed to develop and or deliver a future scheme.

Parameter 4 – Evidence-based public goods: We support a move towards evidence-based payment for public goods but caution that it will be important for Welsh Government to identify evidence gaps and ensure that these are addressed and not dismissed. Innovation and development is necessary particularly in areas of evidence gaps as there are still so many unknowns within the natural world. Many agree that what we have been doing has not been adequate to deliver the desired outcomes so to do better it is likely that new approaches will be needed. Progressive and innovative farmers should not be excluded from funding when trying a new approach to delivering the desired outcomes.

With so many, as yet unanswered questions in delivering the outcomes, society seeks there needs to be a process where farmers can seek evidence where none is currently available. Our universities currently work to deliver mainly academic outcomes of their own design. It is important that any funding provided for research be targeted at delivering answers sought by the farming industry carried out in a way that the outcomes will be applicable on the ground. One approach could be a focused system of local research centres which can carry out further research and also act as demonstration farms so that there is a constant flow of information from the farmer up to the policy makers and back down to the farmers would be beneficial. This has worked well for GWCT who have two research and demonstration farms.

Through the work that GWCT do we are constantly seeking to discover the right questions for which there are no current answers and therefore no evidence. The worst case for moving forward is when action is prohibited on the basis that there is no evidence to prove that it will work when the reality is that there is no evidence at all and none to prove that it will not work either.

There must be flexibility within the system to encourage new approaches and develop the learning so that we can continually deliver better outcomes. This could be done through an innovation option where a trials approach with monitoring and evaluation.

In valuing outcomes, the Burren Project in Ireland has taken an outcomes-based approach and has already developed a formula to measure outcomes and deliver payments. The Sustainable Management Scheme developed with an outcomes-based approach and already working in Wales could provide important insight into how such schemes in Wales might operate in future.

Furthermore, assessment methodologies can be specialist and, if necessary, difficult to simplify for qualitative self-assessment. As a science-based charity, GWCT is well placed to deliver scientific trials and work with farmers as a trusted partner to deliver better solutions and produce the evidence required.

Collaboration and delivering at scale: The Sustainable Management Scheme has done an excellent job at developing an interest in collaborative working to deliver landscape scale outcomes. However, it needs developing further. It must in the future include the ability to pay farmers to be able to carry out work on their own land and to allow multiple benefits which allow for and include improved animal welfare and associated productivity as well as environmental, educational and human health outcomes such as tick eradication. Other improvements should be developed within the program as the scheme develops and as we move away from the restrictions imposed by the EU. The GWCT has extensive experience of successful collaborative schemes through its development work with the Farmer Cluster concept. We believe Farmer Clusters work as they harness the motivation of a group of farmers to achieve success by allowing them to design their own conservation plan based on what they hope to achieve.

A Farmer Cluster is designed to start life as a bottom-up, farmer-led initiative, under the guidance of a lead farmer – a good farmer, respected in the community and prepared to lead, with strong green credentials. The right choice of lead farmer is important. The second step is for the lead farmer to invite a group of local farmers to work with him and to agree the area they manage – whether that's centred on a geographical feature such as a river or valley, or simply some friends who farm a contiguous area of land – and what they hope to achieve. This will be expressed in their own

conservation plan usually assisted by their advisor or facilitator which they chose. In choosing a facilitator,_farmers usually find a local professional who can advise on conservation and other improvements; offer training in monitoring techniques, law and other practicalities; liaise with NRW; bring in experts for assistance and training; encourage wider community engagement and otherwise support the project.

Farmer Clusters form the bedrock of major GWCT research projects including Waders For Real, where local farmers respond voluntarily to GWCT concerns about the conservation status of breeding waders, forming the Avon Valley Breeding Wader Project and securing EU LIFE+ funding.

Game management and its importance in conservation management: When considering the answer to Q10 about other public goods which should be supported we would like to draw Welsh Government's attention to the potential role of game-management in achieving the outcomes desired in the Public Goods Scheme and, in particular, habitat and ecosystem resilience. From peer reviewed research carried out by GWCT we know that for certain ground nesting bird and mammal species, including those of current conservation concern such as the curlew, productivity is severely limited by predation and that viable productivity levels can be restored through the adoption of predator management particularly during nesting and brood rearing. Consequently, ground-nesting birds such as the curlew will not survive in the UK without predator control being carried out. Predator control, is therefore, one of the evidence-based tools required in order to deliver on Welsh Government biodiversity objectives. As well as gamekeepers, there is a potential role for farmers to carry out this activity with training and guidance. The income from game management enables employment of gamekeepers to deliver desirable outcomes for wildlife just as profitable farming businesses are more likely to be able to afford to deliver favourable conservation outcomes.

Alternative long term models for conservation (Q11):

- Conservation covenants: A conservation covenant is a voluntary agreement between a • landowner and a responsible body, for example a charity, public body or local/central government, to do or not do something on their land for conservation purposes. Like any covenant, conservation covenants go with the land, in perpetuity. Examples of this may be: maintaining woodland and allowing public access, refraining from using certain pesticides on native vegetation, or managing a wildflower meadow for the benefit of biodiversity. The landowner can be involved in designing the management plan for the area, and receives financial support and advice from the body which is responsible for the land. We are currently examining a proposal from a water company to block drainage ditches on an upland mire in order to make the mire retain more water, which should mitigate flood risk and improve water quality further down the catchment. The proposal would change the farming practices on the land in the very long term, if not permanently. The landowner is a private individual who farms the land himself. He is willing to provide the necessary management of the land in return for payments, but at present the proposal lacks a suitable legal vehicle which will bind the parties for the appropriate length of time. The ability to provide qualitative valuations is also important. A conservation covenant would suit this situation very well.
- **Biodiversity off-setting:** As a current example, we are discussing with HS2 Ltd its plans for environmental mitigation along the proposed high speed rail line. Those plans will require

significant areas of land for biodiversity off-setting and in many cases, landowners would prefer to retain ownership of such land and offer management services to HS2, rather than have the land compulsorily acquired. A conservation covenant could be a suitable tool to deliver conservation management in the long term. In a similar vein, compensatory habitat required under statute might equally be delivered using a conservation covenant.

Private investment (Q15): Public funding should provide a basis from which further funding can be sought. We saw this with the Nature Fund and now the SMS where opportunities arise from groups of people getting together.

For example, during the development of the Nature Fund, Chester Zoo met a group from Helkyn mountain who had come to the meeting with a mind to applying for the Nature Fund but in the end got funding to do what they particularly wanted to do from Chester Zoo. The other groups who have entered into SMS schemes have found opportunities for further funding and support. On Beacon Hill part of the Powys Moorland Project the farmers where unconvinced that there would be any benefit to them from the project but after two years they are now themselves working to find a way of keeping the warden/gamekeeping activities going on the hill.

We find that when groups of farmers, landowners, businesses and communities get together to work together that unforeseen opportunities arise and the outcomes delivered from the original funding is far greater than what has been paid for.

There are also opportunities for the private sector to help support wildlife and biodiversity and this can very often sit comfortably alongside public support. Kelloggs's manufacture Bran Flakes, All-Bran and Special K at their factory in Wrexham and have introduced the "Origins" Producer Group scheme. The scheme focusses on 7 "Natural Heritage" objectives all of which bring about some form of environmental enhancement. Farmers joining the scheme are provided with access to experts who provide advice on request, funded by Kellogg's. There is also a research element to the scheme and some farmers have chosen to engage in soil cultivation trials as part of a funded programme linked to Universities. Such partnerships can be complimentary to a state-supported scheme and consumer interest in provenance is likely to see more in the food and retail sector introducing such schemes.

Chapter 7 – New regulatory framework

We understand that this area will be the subject of future consultation.

We would like to highlight the danger of Welsh Government not being able to support worthwhile conservation work under the proposal that payment will only be made to farmers for delivery over and above regulatory requirements. For example, SSSI regulation requires farmers to maintain the SSSI. Without support this is a particularly onerous demand on farmers who created the most valuable habitat in the country. There will be similar issues with water regulations.

Please also read in conjunction with Chapter 4 Ensuring tenant access to new schemes above

Chapter 8 – Transition, delivery and legislation

Completing the changes by 2025 (Q16): Farming is a long-term business with crop production based around rotations, livestock production around breeding programmes and capital costs depreciated over the number of "productive" years and so we are supportive of Welsh Government's ambitions for a transition period to 2025. Until the future policy framework that farm businesses will be required to adapt to – trade, regulation, labour and application of the land management policy - is clear, to cushion the short-term impact on an industry that has to invest long term, this length of transition will be needed.

With a sympathetic transition approach which builds on the direction of intended travel there is great appetite amongst particularly progressive farmers and those wishing to enter the industry who are looking forward to the phasing out of Basic Payment Scheme. There is a need for a culture change to encourage succession planning and retirement in order to enable a new and energetic generation of farmers and land managers to take the lead.

With clear objectives of the targeted outcomes then a continual process of adaptation is required even after 2025.

Phasing out BPS (Q17): We consider that reducing the BPS through the application of progressive reductions, with higher percentage reductions applied to higher payment bands, is the most appropriate option as this spreads the burden across all but the lowest recipients whilst releasing funds for phase 2.

Basic payment could be phased out in its entirety over the transition period while bringing in a payment for delivery of public goods beginning with those most easily delivered and measurable such as hedgerows, trees, public footpaths. These public goods are already listed on BPS claimants' maps.

However, we are increasingly concerned that objections to direct payments (and therefore calls for their removal) are masking two significant benefits of a "basic farm payment": the delivery of basic environmental benefits and farm profitability, particularly among small to medium sized farms in mixed farming areas. The GWCT believes that without financial support for environmentally responsible farming, farmers and land managers would seek to maximise production to make farming profitable or abandon production, with consequent negative effects on our countryside. The GWCT has promoted the idea of a voluntary Foundation Payment available to all that requires

adherence to statutory requirements and good agricultural practice to deliver basic ecosystem services as a means of providing a basic level of support. Please see Appendix 1 below.

Simplifying the current scheme during transition (Q18): We support Welsh Government's intention to simplify inspection selection criteria and cross-compliance and greening rules.

The GWCT would prefer to offer another option based on retaining the environmental benefits of cross-compliance and greening type measures. We accept that greening measures do not deliver sufficient value for money and only limited benefit to the environment; however they do confer sufficient benefits to farm biodiversity and soil health if adapted they merit retention. We would advocate the retention of a Foundation Payment to secure compliance with basic statutory measures and best practice. It is significant to note that three European countries not part of the European Union, Norway, Switzerland and Iceland, have all chosen to provide support to their farmers though foundation type schemes.

We therefore 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.

By using a farm assurance approach to inspection with an annual visit cross compliance will be ensured without the need for current inspections (for more detail see Appendix 1).

Welsh Language standards (Q19): Rural areas particularly amongst the farming communities have strong cultural and heritage values. The Welsh language is key to many areas and so too are the cultural and heritage elements such as local shoots and fishing. These activities along with farming and the local markets are the social cohesion of a local area.

Rural field sports provide a social focal point, support, exercise, cross generational interaction as well as delivering benefits to biodiversity. The proposed land management program and future policy and regulation support or put pressure on the Welsh language, rural culture and heritage. This new program has the potential to support and promote thriving rural communities. When designing the detail of this program it is important to take all of these factors into account to provide support and encouragement to future generations in maintaining healthy rural society. Please see GWCT The Knowledge Book available online or on request.

Further comments (Q20): see Executive Summary above.

Appendix A – The Game & Wildlife Conservation Trust's vision for a Welsh Land Management Programme.

A future inspection regime

Introduction

Where public money is given to private individuals it is entirely correct that the public should have confidence that this money is reaching only those who are entitled to claim it. During the lifespan of the Common Agricultural Policy, there have been numerous examples of fraud and the EU Commission have quite correctly sought to minimise these through increasing regulation.

However, it is important to note that there is no evidence of systematic fraud within Wales, with most breaches of regulations due to a lack of understanding (of what is now quite a complex system) or simple mistakes. It is our experience that the majority of farmers want to "do the right thing" and are law abiding and honest citizens.

Our experience of farming (with two of our own demonstration farms that have been inspected on numerous occasions), farmers and environmental regulation means we are well placed to make some helpful observations as to how a future regime might deliver less red tape but better regulation.

The Basic Payment Scheme & Cross Compliance

We have significant concerns as to how Government will ensure that statutory environmental legislation and best practice will be enforced as the Basic Farm Payment ("BFP") diminishes. It is entirely unrealistic and undesirable to contemplate attempting to check what every farmer is doing on every acre of land. Whilst we do not believe that farmers set out to flout regulation there is no doubt that attention to detail is achieved through the threat of inspection and the threat of a resulting financial penalty. As that financial risk becomes smaller, and business pressures increase, we are fearful that regulations will be less well observed.

We have 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 scheme, is the best way to approach this. It is interesting to note that European countries that are not part of the European Union - Iceland, Norway and Switzerland - have opted to provide a publicly funded farm support scheme, often exceeding the equivalent payments made under the CAP.

Compliance with Foundation Standards would be a pre-requisite for eligibility for entry to any future Government funded scheme. It is very important that farmers are not seen to be accessing

environmental payments when their basic compliance is unchecked. Such situations give rise to deep concern over the distribution of public money.

Farm Assurance

We believe around 70% of farmers are a member of some form of farm assurance scheme. The concept was pioneered by the Organic Farming movement seeking to assure their customers of the provenance of their produce. Organic farmers pay for this verification because it provides a justification for a premium and ensures that organic standards are upheld. Likewise, those in other farm assurance schemes engage an independent verification body to certify their product, a requirement of almost all food manufacturers and retailers. All assurance schemes are required to meet United Kingdom Assurance Scheme (UKAS) standards and this is under-pinned by an International Standard.

The largest of the inspection bodies in the UK trades under the Red Tractor logo, with around 400 qualified inspectors. When we met with their CEO he was confident that inspectors would be able, with some training, to include existing Cross Compliance measures as part of the inspection procedure. At present the RPA inspects around 5% of BFP claimants - so its reach is limited. Including Cross Compliance in farm assurance has the potential to reach 70% of farmers. This would result in better regulation, because the reach is greater, but less red tape.

We propose greater lassitude be permitted for breaches. A motorist travelling in a 40 mph speed limit is given a tolerance of 10% above the limit i.e. no breach under 44 mph. We propose a similar level of tolerance for some aspects of existing Cross Compliance, for example the integrity of the 2.0 metre field margin protection zone.

Finally, we propose that the RPW be retained in some form to provide an independent inspectorate of farm assurance. This is already done to some degree internally by Red Tractor; inspectors with high pass and fail rates are cross checked, but RPW could provide an external audit. RPW could focus their attention on businesses which are not checked through farm assurance. The resources expended in inspecting our own farm three times in the last year have been substantial and resulted in no improvement in environmental standards. Many of the requirements had already been checked under farm assurance. It would be far more effective to increase the inspections of non-verified farms.

Future Schemes

We would welcome an increased level of involvement with WG in helping to design, administer and/or audit future schemes based around Payment By Results. Whilst we are in formative stages of this design, the ultimate "product" will involve the transfer of public money to private individuals as a reward for delivering environmental public goods and services. Consequently, inspections will be required, and these will become more complex once qualitative assessments are required, with payment levels reflective of these. Again, as with Statutory Regulation and Best Practice, we see no reason why these should not fall under a farm assurance inspection. As farmers we are far more content to pay for our own independent inspection, at a time of our choosing which delivers real outcomes than we are to be subjected to a "free", unannounced, RPW inspection which does not.

Conclusion

The resources currently employed in inspecting agriculturally related regulations are poorly targeted, costly and failing to achieve sufficient environmental improvement. Resulting delays in payments are impacting negatively on farm businesses even though the majority of breaches are minor. Furthermore, many farmers have been deterred from entering Schemes because they feared any breach in this, a more complex voluntary scheme, would impact on their BFP and hence posed to great a business risk. This has meant that we have lost the opportunity for additional land to be managed for nature and wildlife.

Existing, voluntary inspection regimes have the capacity and reach to ensure better regulation but with less tape. Farmers become customers rather than victims, which in-turn fosters a more positive approach to the observance of regulation.

Sue Evans Director Wales 19 October 2018

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