

# **FARMING IN THE ENGLISH NATIONAL PARKS**

## **Ideas from the National Parks England Task and Finish Group on the Future of Farming**

### **1 Our Vision**

- 1.1 EU Exit provides an exciting opportunity to shape a new approach to sustainable land management, enabling all farmers within our National Parks to be proactive environmental managers whilst helping our rural economies to become more sustainable and supporting the vibrancy of our communities.
- 1.2 Our vision is for the *National Parks of England to be recognised and celebrated as living, working landscapes where sustainable farming systems deliver a wide range of public benefits and the farmers and land managers doing this work are fairly rewarded for these services. It is important that future agri-environment/land management schemes encourage and enable farmers to be effective stewards or custodians of our National Parks – harnessing their expertise so that the environment and cultural heritage is as much a part of their farm businesses as high quality food production. We want to ensure that farming in our National Parks continues to support jobs and growth in the broader rural and visitor economy too. National Park Authorities are well placed to play a central role in shaping the future of farming and land management in the Parks and to do this in ways that lead to a 'triple dividend': enhanced environment, improved productivity and more vibrant communities.*
- 1.3 This document sets out some initial ideas about how we might use the opportunity of EU exit to achieve this vision.

### **2 Farming in the English National Parks**

- 2.1 Most of the land in the English National Parks is used for farming<sup>1</sup> and it is predominantly the impact of agriculture and woodland management on the natural features of these areas that has shaped the present landscapes and their cultural heritage; led to their designation as National Parks; and helped create many of their special qualities.

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<sup>1</sup> We have used the phrase farming but in so doing are cognisant that we are talking about land management by land owners and farmers (who might be tenants, owner occupiers and/or commoners)

- 2.2 There are approximately 7,150 commercial holdings in England's National Parks covering 63% of the total area of the National Parks. The farmed area ranges from around 50% in many National Parks to 82% in the Peak District. Around 55% is owner occupied and 45% rented, although again this varies significantly between National Parks (from 18% rented in the Broads to 75% in Northumberland National Park). The majority of farms in England's National Parks are livestock-based: key farm types include Less Favoured Area (LFA) grazing livestock farms (54% by number) and lowland grazing livestock farms (16%). The main land uses are permanent grassland (54% of the farmed area) and rough grazing (27%), although again there are wide variations with arable farming being a key element in the South Downs landscape. 72% of farms are under 100ha in size (33% are under 20ha). Commoning is an important feature of farming in some National Parks.
- 2.3 We estimate that public expenditure on farm support within the English National Parks is worth in excess of £160m per annum: agri-environment scheme payments account for £67m (based on 2016 figures) and the Basic Payment Scheme for £94m (based on 2015 figures).
- 2.4 Agri-environment schemes have been a particularly important tool for conservation in our National Parks. Indeed, the concept of agri-environment agreements originated from work undertaken in Exmoor National Park and the Broads. In 2016 over 52% of the utilisable agricultural land area in the English National Parks was in a Higher Level Stewardship agreement. This figure does not include agreements under the new Countryside Stewardship Scheme.
- 2.5 Public investment in farming is essential for the economic sustainability of many National Park farms. Basic Payment Scheme and agri-environment agreement payments equate to over 90% of farm business income for LFA grazing livestock farms on average and 70% for lowland grazing livestock farms. Despite this investment many farmers in the National Parks, especially the upland National Parks, only just break even and breaking-even is not sustainable in the medium to long term – farm operation requires continual re-investment to remain viable.
- 2.6 Farming is an important part of the local economies of our National Parks. Agriculture, forestry and fishing account for around 24% of all businesses and nearly 10% of total employment in the English National Parks, supporting around 13,500 FTE jobs. Farming also contributes – through the management of the National Park landscape, the culture and traditions of our communities – to the wider visitor economy which is worth in excess of £4bn per annum.

- 2.7 History tells us that more recent farming systems can be negative, as well as positive, for the environment. It is important that the policy and financial framework within which farming operates is clearly focused on sustainability in environmental, economic and social terms. Significant public investment in farming and agri-environment support over the last 30-40 years has been an essential ingredient in helping to sustain our National Park landscapes but there are opportunities for improvement to address such issues as:
- Degraded soils
  - Falling biodiversity
  - Lower resilience to flood and drought
  - Marginal returns for traditional farm systems
  - Increasing disconnect between 'town' and 'country' / 'people' and 'nature'
- 2.8 The UK's forthcoming exit from the EU offers a real opportunity to rethink policy approaches. We recognise that the £3bn plus annual investment in farm support by the taxpayer will be under much closer scrutiny than ever before but it is essential that we sustain and improve the supply of public goods produced by our National Parks (including, high quality landscapes, biodiversity, carbon storage, water management, opportunities for public access, enjoyment and understanding). Public and private investment in 'high value farming systems' in the National Parks is essential to the maintenance of these treasured places: imagine the Yorkshire Dales without stone walls or barns; The Broads without grazing marshes; or Dartmoor and the New Forest without the tradition of common grazing or the South Downs without chalk grassland?
- 2.9 Our current systems of delivery are:
- Silo-based - with different funding streams poorly integrated. The architecture of the Common Agricultural Policy and its two 'Pillars' has shaped our delivery arrangements: environmental payments separate from farm productivity and wider rural development.
  - Management by prescription rather than empowerment – too often our agri-environment schemes seek to impose management 'by prescription' rather than empowering the farming community to deliver the environmental and cultural products that society seeks.
  - Risk adverse rather than stimulating innovation and productivity – we focus on processes that are designed to minimise risk rather than on delivering outcomes and promoting innovation and productivity.
- 2.10 We believe there is a better way to achieve environmental outcomes, a more productive rural economy and vibrant communities and set out below the

outline of a new system of integrated, place-based delivery that focuses on the outcomes that society seeks from the National Parks.

- 2.11 Our proposals are centred around three, linked components:
- A National Park FARM (Farming and Rural Management) Scheme to provide a base or foundation level of environmental husbandry and public goods.
  - FARM Plus – locally-led agri-environment schemes for each National Park.
  - Wider Rural Development – local resources for wider rural development.
- 2.12 We recognise that this is not a complete description of an English replacement of the Common Agricultural Policy and that other important elements, such as, volatility measures will need to be addressed at a national level, whilst tariff and non-tariff trade issues and gaining a 'level playing field' will be at least as important to the future viability of farming systems in our National Parks.
- 2.13 Our proposals build on the practical experience that each National Park Authority has (see appendix 1) in working with landowners, managers and farmers and should compliment the emerging national public policies for farming, food, forestry and the environment.

### **3 National Park FARM (Farming and Rural Management) Scheme**

- 3.1 It is important that we have a base level of environmental management and retain the skills of the farming community to deliver this stewardship. We envisage a 'National Park FARM Scheme'. It could be in the form of a 'certification scheme' – voluntary for farmers to sign up to. In return for a base level payment there would be certain management obligations (tailored to each National Park) and elements of cross compliance.
- 3.2 People who enter into this scheme would also be eligible for farm business advice to produce an integrated farm plan (linking environment and business) and to act as a baseline for the scheme. This builds on the experience of the Dartmoor and Exmoor Hill Farm Projects and work in the Yorkshire Dales and North York Moors on farm business plans and innovation. It integrates economy and environment and addresses one of the weaknesses of the current delivery system. We believe that there is a business approach that can deliver improved productivity of both environmental outcomes and high quality food and fibre as well as contribute to farm profitability – which remains a key challenge for many National Park farm businesses, especially those in the uplands.

- 3.3 The Scheme would seek to develop the National Park brand ie those signing up could use the National Park logo to symbolise that they are contributing to the management of our National Park landscapes; building a link between the farmers who manage the land and the millions who enjoy the landscape. Thus, this FARM Scheme could develop the National Park food economy – supporting local food chains and enhancing ‘sense of place’ for both producers and consumers, including visitors to the National Parks<sup>2</sup>.
- 3.4 There is an opportunity to promote this FARM Scheme (and the locally-led agri-environment scheme [see below]) through the public engagement work of the National Park Authorities. Ensuring that the 90m visitors to our National Parks each year understand the role that the farming community play in managing the National Parks for the benefit of all; building a renewed relationship between those who manage the landscape and those who come to enjoy it.

#### **4 National Park ‘FARM Plus’ - Locally-led Agri-environment Schemes**

- 4.1 As part of the FARM Scheme we propose a higher level, locally-led agri-environment scheme – FARM Plus. The foundation level FARM scheme would be open to all and ensure a base level of good environmental management and husbandry. FARM Plus would be focused on enhanced levels of environmental management to deliver public goods.
- 4.2 These schemes would be focused on delivering multiple environmental benefits with options that allow for delivery of:
- Landscape
  - Biodiversity and geodiversity
  - Carbon management
  - Water management
  - Woodland management (and creation)
  - Historic environment
  - Access and education
  - Whilst also facilitating the production of high quality food through sustainable farming systems
- 4.3 The aim is to maximise delivery across all these benefits rather than a narrow focus on one or two and to allow local flexibility in setting priorities.

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<sup>2</sup> The Government’s [8-Point Plan for Englands National Parks](#) (2016) contains a set of ambitions relating to National Parks as food destinations and increasing the number of protected food names and exports.

#### 4.4 The scheme should:

- Be focused on local needs and opportunities whilst recognising national priorities.
- Encourage collaboration between farmers or within farm clusters to deliver sustainable improvements at a landscape scale.
- Be outcome focused – engaging with farmers to involve them in agreeing environmental outcomes that they will deliver mechanisms and take part in the monitoring of outcomes.
- Be evidence-based – ensuring that monitoring results are understood and used by the farming community to inform management in a virtuous circle of innovation and learning and offering reassurance to the public that they are delivering the agreed outcomes or identifying actions to address any concerns.
- Be proportionate – as far as possible light touch, easy to understand and to sign up to, with common sense flexibility on measurement and reporting.
- Offer multi-year agreements with the length of agreements related to the outcomes being delivered (ie long-term agreements for complex landscape-scale delivery on areas such as commons).
- Include the potential for capital as well as revenue payments (eg capital payments for key landscape features such as stone walls and hedgerows or investment in water source protection and natural flood management).
- Provide the opportunity to integrate private sector payments for natural capital/ecosystem services alongside public payments, following the Natural Capital Committee’s recommendations and practice already being developed in National Parks such as the Lake District, Exmoor and South Downs.
- Integrate with other environmental and rural support programmes to multiply benefits and avoid perverse incentives.

#### 4.5 In developing our ideas we recognise that there is a real challenge: to sustain the farming systems that help deliver the National Park landscapes that millions enjoy and cherish will require sustained funding. The local approach provides an opportunity for savings and efficiencies through:

- Greater ‘ownership’ of schemes by the farmers delivering them with agreed progress reviews to ensure that targets are delivered and less risk of failing agreements.
- A more clearly targeted focus on public payments for public benefits, locally communicated and understood, leading to greater public understanding and support for the policy.

- Innovation and learning in delivery of environmental and other targeted outcomes.
- Greater transparency.
- Potentially lower administration costs.

4.6 Within this locally led approach there is the opportunity to evaluate new systems:

- environmental contracts – whereby farmers bid to deliver rather than sign up for certain management options, this could help reduce costs and reward collective or landscape-scale action;
- payment by results – building on the work in the Yorkshire Dales; and
- private payments alongside public investment.

## **5 Wider Rural Development**

5.1 A key part of our vision is for local delivery of integrated solutions to deliver a triple dividend: enhanced environment, improved productivity and farm profitability and more vibrant communities. To achieve this would mean resources for wider rural development. Too often England has developed a linear, top-down approach to rural development. Our collective experience of delivering the Sustainable Development Fund, facilitating partnerships to agree a vision for each National Park and a management plan to deliver that vision, demonstrates the value of networked rural partnerships. National Park Authorities are well placed to facilitate community-led local development programmes that link environment, economy and community. These programmes would include grants but should also include loans (ie a revolving fund rather than one-off injections of capital). There should also be the opportunity for revenue spend.

5.2 In terms of farm businesses and the farmed landscape this means having the ability, capacity and funding to 'make the connections', for example:

- Farm business innovation groups that bring together farm businesses, research institutions and other businesses; making sure that the high environment value of many National Park farming systems is of market value.
- Programming of spend to maximise the local economic impact eg programmes for the restoration of stone walls, hedgerows are linked to an apprenticeship/skills programme to ensure there is local skilled labour.
- Healthy livestock initiatives that improve the quality of the livestock and help address wider health concerns eg tick-based disease.

## 6 What Next?

6.1 We are keen to work with Government to realise the opportunities that will arise through EU Exit, to use our expertise, experience and passion to design and implement a more holistic and effective approach to environmental management and rural development. We have developed a deep understanding and close working relationship with the farming and wider land management community in our Parks over many years. We would like to help develop a system that:

- Rewards farmers for the environmental and cultural products that farming can provide, as well as the food we need.
- Engages and empowers the farming community in design and delivery of innovative and locally responsive new schemes.
- Steers the farming sector in a more sustainable direction: working with nature for mutual benefit.
- Provides a greatly enhanced range of public benefits from our National Parks.
- Integrates environment, economy and community to demonstrate the integrated delivery that the Government's 8-Point Plan seeks.

6.2 This document outlines our initial ideas and, we hope, provides a basis for a more detailed discussion with Government. We have focused on National Parks because that is our area of expertise but we are not suggesting that agri-environment schemes should only be limited to National Parks.

6.3 We are ready and able to help the Government achieve its challenging environmental ambitions:

- To integrate farming and environmental policy, enhancing the environment and improving rural productivity<sup>3,4</sup>
- To leave the environment in a better state for future generations<sup>5</sup>
- To conserve and enhance our precious National Parks<sup>6</sup>.

6.4 Our National park landscapes are enjoyed by millions and contribute significantly to the national economy. But to sustain the farming and land

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<sup>3</sup> The Government's [8-Point Plan for Englands National Parks](#) (2016) contains the following ambition '...to champion integrated management of the natural environment, showcasing the benefits that designated landscapes can bring.

<sup>4</sup> Defra and H M Treasury (2016) [Rural Productivity Plan](#), Defra and H M Treasury, London.

<sup>5</sup> The [Conservative Party Manifesto](#) (2015) contained a specific commitment to be 'the first generation to leave the natural environment of England in a better state than that in which we found it'.

<sup>6</sup> The [Conservative Party Manifesto](#) (2015) contained a commitment to maintain National Parks.

management systems that have shaped and still maintain the Parks requires far-sighted, co-ordinated policies, understood and supported by the public and continued investment. It would be a tragedy with far-reaching consequences if the opportunity to achieve this in a post-Brexit settlement were missed.