

Environmental Audit Committee

Oral evidence: [The Future of the Natural Environment after the EU Referendum](#), HC 599

Tuesday 18 October 2016

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[Watch the meeting](#)

Members present: Peter Aldous (Chair); Geraint Davies; Zac Goldsmith; Peter Heaton-Jones; Caroline Lucas; Kerry McCarthy; John Mc Nally.

Questions 228-275

Witnesses

Sir Charles Burrell, Chair, Rewilding Britain, Professor Richard Brazier, University of Exeter, Professor Sue Hartley, British Ecological Society, and Dr Keith Kirby, University of Oxford.

Guy Smith, Vice President, National Farmers Union, Peter Melchett, Policy Director, Soil Association and Organic Research Centre, Murray Davidson, Association of Local Government Ecologists, and Sarah Fowler, Chief Executive, Peak District National Park.

Written evidence from witnesses:

- [Rewilding Britain](#)
- [Professor Richard Brazier](#)
- [British Ecological Society](#)
- [Dr Keith Kirby](#)
- [National Farmers Union](#)
- [Soil Association and the Organic Research Centre](#)
- [Association of Local Government Ecologists](#)
- [National Parks England](#)

Examination of Witnesses

Witnesses: Sir Charles Burrell, Professor Richard Brazier, Professor Sue Hartley, and Dr Keith Kirby.

Q228 **Chair:** Good morning, ladies and gentlemen. I am Peter Aldous, Member of Parliament for Waveney in Suffolk. I am taking the chair this morning as the Chair for the Committee, Mary Creagh, is unfortunately unable to be here, for which she sends her apologies. We are looking at the impacts of rewilding in this inquiry on the impact on the environment of Brexit. To kick off, would each of you very quickly introduce yourself and set out your interest in this aspect of rewilding?

Dr Kirby: My background is that I worked for Natural England and its predecessors for 30-odd years. As part of that, I got interested in rewilding through various projects that were coming forward. Since my retirement four years ago I have still kept an interest in that sort of subject, working in the University of Oxford in plant sciences.

Professor Hartley: I am a professor of ecology at the University of York and for many years I worked on the impact of large herbivores on upland landscapes. I was also a member of the advisory committee on releases to the environment and I am currently the president of the British Ecological Society, which is the learned society for the discipline of ecology.

Sir Charles: Charlie Burrell. I am a practitioner of rewilding. I have a 3,500 acre estate in West Sussex. I also chair Rewilding Britain.

Professor Brazier: Professor Richard Brazier, University of Exeter. I am a hydrologist and I have also pioneered this field of landscape restoration science where we try to understand ways in which we can restructure and manage the landscape differently, looking at different types of land use for multiple benefits.

Q229 **Chair:** Thanks very much. The evidence we have received from the British Ecological Society describes rewilding as a contested term. We have heard a variety of definitions, ranging from reintroduction of species in a landscape to full land abandonment. What would each of you say is the practical definition of rewilding that should inform or could inform Government policy?

Dr Kirby: I would say it is the planned reduction in human intervention in land management so as to allow scope for more natural processes to determine landscape structure and composition. Some of these other issues that you have mentioned, like reintroductions or land abandonment, are the mechanisms you use for the rewilding.

Professor Hartley: I think in our evidence we did describe it as a contested term because, for example, one paper in the scientific



literature said there had been six different definitions of rewilding in eight years, but I think it is important to emphasise that this is not unusual for new scientific disciplines. As new terms come into ecology, there is a lot of debate, a lot of discussion, but that should not put us off. That is a good part of the scientific process, that there is rigorous consideration of what rewilding means. It can mean different things to different people in different places. Rewilding might be very different if you are thinking about the megafauna of the US compared to some of the UK landscapes, and that is entirely reasonable.

I think it is also fair to say that a consensus is emerging in that it does refer to a range of techniques and approaches that seek to restore natural processes and functions from ecosystems that have been lost and to do that with a long-term goal of reduced human intervention. From that kind of approach, we do have a practical way of going forward.

Sir Charles: When I started it was called process-led and then rewilding became the word that was labelled on to projects like ours. It has been morphing and morphing, as Sue said.

Professor Brazier: My take on this is that it is about the extensification of land use. It is a management process to manage the land or part of the landscape differently but towards a more natural structure, with more natural functions and processes to deliver these multiple benefits that we know we need.

Q230 **Caroline Lucas:** Do you think it is fair to make quite a clear distinction between conservation on the one hand and this word “restoration”? Professor Hartley used the word “restore”. Potentially what is exciting about rewilding is that sense that it is not simply conserving what you have. It is about putting back something that you have lost, which is a slightly different concept although clearly related.

Professor Hartley: That is a distinction. I think that conservation science provides us with some of the information we need to develop rewilding. Restoration ecology has quite a long track record and a good track record and that can help provide an ecological science framework for rewilding approaches. What we do need to be clear about is that rewilding is usually meant to be more than just returning species or thinking about particular species or habitats. It is much more about the whole ecosystem and about those processes and functions and taking that kind of holistic approach.

Q231 **Chair:** As we have heard, those who are hostile to rewilding see it as full abandonment and related to the reintroduction of predators. Do you feel that the rewilding movement has in any way been responsible for these conceptions arising?

Dr Kirby: I think there is an element of that. The way that I find it helpful to look at rewilding is that it is a continuum and that at one end perhaps we would have wild wolves roaming the Scottish highlands but in



practice we would probably need to stop quite a long way before then, at least for the foreseeable future. We are moving to a wilder landscape but under current conditions I think we would almost certainly need to have limits on how far one goes down that path.

Professor Hartley: I agree and I think that it is important to recognise that there is a long-term goal towards maybe reduced human intervention but not eliminating human intervention completely. In projects for rewilding you have to set processes in train. There is quite a lot of work to do to get the projects going and then you can't just step away. I think it is important to recognise that.

Q232 **Peter Heaton-Jones:** I suppose, given the fact that there is not unanimity over the definition, this next stage might cause us even more difficulty but let's try it. It is surrounding the evidence base for rewilding and I want to quote something that a witness told us in a previous session. Professor Roberts said, "The scientific evidence on rewilding is limited at the moment". I want to know whether you agree with that statement. I am going to be unashamedly biased towards my home county of Devon and start with Professor Brazier.

Professor Brazier: I think I do agree. That is the easy answer, but the first point I want to make in more depth is that the evidence for how we manage the landscape now, without rewilding in most cases, comes down very strongly on the side of the fact that we are not doing things very well. There is already a setup that presupposes that rewilding can make some significant improvement. In certain types of rewilding there is some strong evidence. Moorland restoration in particular, the way in which we reinstate or recreate rougher grasslands and pastures, the reintroduction of beavers that I am quite heavily involved with, is coming out with some wonderfully positive evidence. But these are only certain types of rewilding and they are not set alongside each other in a coherent framework so that we understand the full yet. We are in an immature scientific field.

Q233 **Peter Heaton-Jones:** If we were looking for firm evidence that rewilding, however we define it, were advantageous inasmuch as it is something that the Government ought to be driving forward or individual groups and quasi authorities ought to be driving forward, we are not at the stage yet where we have that body of evidence?

Professor Brazier: Not across the whole continuum of rewilding approaches, no. For certain types, yes, we could move forward but not for everything.

Q234 **Peter Heaton-Jones:** Professor Hartley, I wanted to come to you, if I may. The British Ecological Society's evidence says, "It is important to develop a critical and rigorous scientific framework for the monitoring and evaluation of rewilding". How might we do that?

Professor Hartley: We have already started and there are some practical rewilding projects that are underway and are providing, as



Richard has said, some very valuable evidence. The second approach we can use is that we have frameworks for restoration of habitats, and Richard referred to ones where evidence is beginning. We have something to build from and the important thing now is to continue that process by setting up more projects and getting more evidence. There is only one way to get this evidence and that is to undertake the practical work and collect the data.

Q235 Peter Heaton-Jones: Can we do that with the existing, albeit very limited, number of rewilding projects that there are or, to make this scientifically rigorous, do we need to start new projects and analyse them from scratch?

Professor Hartley: It depends what the aim is, what the vision is for the way we want our landscape to look. As Richard said, there are some habitats where we have better evidence than others, so if we want to move rewilding into new habitats then we will have to get new data. On the data that we have, it is starting to be collated at the moment so I think there are some habitats where we have a lot more confidence. Another point I wanted to make is that rewilding is not alone in this position. Getting ecological data at a large scale takes a lot of time, a lot of effort and a lot of money. It is important to recognise that the rewilding approaches have not been lagging behind. It is just that this is a tough gig. It is hard to get this sort of evidence; the baselines change a lot; it is difficult to have controlled experiments. Collecting this kind of data takes a long time and this is a relatively new field. We are exactly where I would expect us to be, given this kind of data.

Q236 Peter Heaton-Jones: Can I ask Sir Charles, as someone who is actually doing it, how much evidence gathering are you doing?

Sir Charles: One of the things when we set up the project—Keith was involved in the beginning of this whole project with us—was we wanted to have good evidence of what we had before we started. We had very good and deep, as much as our pockets would allow, baseline surveys done and monitoring has carried on since that date. We are coming up to the 10-year review and our ecologists are putting together a whole lot of evidence based on what we now know has happened. We will look at our baseline build and look at where we have got to and then we will start talking about some of the stuff from specific surveys and so on. One of the things Rewilding Britain has done, that has been funded by NERC, is put the beginnings of a hub together for evidence on this. Sue and others will all be able to look at this and add to it. There is the beginning of a collection of information in a free to service hub.

Q237 Peter Heaton-Jones: Dr Kirby, are we anywhere near having an evidence base that is rigorous enough, good enough, extensive enough to be able to hand to the powers that be, whoever they might be, government or quasi government, and say, "Here is a body of evidence that shows that rewilding is good and you need to promote it more"?



Dr Kirby: I think we are, with certain caveats that my colleagues have already stressed. The analogy that has just come to mind is that we have the concept of a car. We know wheels work, we know an engine works and we know windscreen wipers can work, but we have not put them all together in the best possible form. We have put some bits together, as on Sir Charles's estate; we have other bits at Ennerdale and other bits elsewhere in the country. We have good evidence on most of the components that we would expect in a rewilding project. The only way we are going to find out what else happens when you put them all together is if we put them all together. We are at the stage where we should be going for a series of field trials, large scale trials, comparable to the sort of thing that Sir Charles has been able to do for the last 10 years.

Q238 Peter Heaton-Jones: What a very good explanation, pitched perfectly at my level. Thank you for that. I have one third of Exmoor National Park in my constituency. Can I ask Professor Brazier whether you want to take this one? How much work is being done with the national park authorities, either Exmoor specifically or in general, on this?

Professor Brazier: A lot. Exmoor National Park Authority and Dartmoor National Park Authority are very well aligned, both with the research we are doing but also with the landscape restoration, which in the case of those two landscapes is funded by South West Water's Upstream Thinking programme, so they are integral. They are major landowners and they represent some of the major landowners. In the example there they have supported what is now in place, which is an upland payment for ecosystem services scheme where farmers are paid to store water on their land, £17 per hectare per year for the next 25 years. That rewetting is a kind of a rewilding. It is allowing that landscape to start to store more water and be managed in a very different way. By the way, it is also still grazeable and supports food productivity. So Exmoor National Park is really at the forefront of that kind of rewilding.

Q239 Caroline Lucas: This whole discussion is happening in the context of the EU referendum result and the UK leaving the EU. What do you think might be the most significant advantages the UK could gain as a result of incorporating rewilding into land management and environmental policy within that context of Brexit?

Professor Hartley: I think rewilding will play an important role in terms of landscape management because it can offer improved ecosystem services, help with things like flood prevention and water quality, offer tourism and recreation opportunities. It brings, potentially, a lot of opportunities and benefits. In the context of Brexit, there is an opportunity to revisit how we might manage landscapes and, more importantly, how we might pay for that management and whether we could look at public money for public goods, whether we would want to support rewilding in the context of subsidies post CAP. That would be one thing to look at. I think an important additional point to consider is how we might view that process in a way that allows landowners flexibility to deliver outcomes in different ways. My final point on how this whole



subsidy regime might play out is that, of course, a lot of these management issues are devolved so there would be an issue about how we would run these regimes across the whole of the UK.

Another important consideration is to think about managing the natural environment and the agricultural environment in a more integrated way. There is a 25-year plan for the natural environment and a 25-year plan for food and agriculture, and the more that those can be integrated and worked together is very important. That is where, in considering land management in the whole, from agricultural production right through to rewilding, we have to get more joined-up in the way we think about it.

Sir Charles: One of the most exciting things I find going around and walking around on my land now is the excitement I get from seeing an endless stream of life. Perhaps what we are missing in Britain is that feeling of joy. Being in a country without too much nature is really quite sad and disappointing whereas I think that with the idea of natural capital and reoffering our balance sheet and getting some of these ecosystem services paid for by the public purse, we can then get to a point where we are proud again about what we have in our countryside. That is what I get from walking around my own land, that excitement and sheer thrill of life.

Caroline Lucas: I have been singing the praises of Knepp to my colleagues, so they know that I was there and saw it.

Professor Brazier: Can I pick up on that natural capital point? We have the Natural Capital Committee expounding this potential framework, this potential way of working that ultimately can allow us to target spatially where we rewild, where we farm intensively. These things can be done in dialogue, in conversation with each other. We have these fantastic upland landscapes that have the potential to be very wild but also support agriculture, beef and sheep farming. We really do not have a mechanism that is working to support the farmer to do that right now, so there is potential here. If rewilding approaches bring other sources of income into parts of our uplands, for example, those parts that would be best rewet or would store carbon best or would release greenhouse gases less or would release clean water, then I can see multiple income streams to these farmers who are right on the margin now. There is a good way forward for society, but within the natural capital framework it can allow you to do that in a spatially targeted manner, which is maybe what we are not doing now.

Q240 **Caroline Lucas:** Do you think we should be making a much more specific pitch about this being a way of being able to survive without the subsidies that we have had from the EU?

Professor Brazier: That is another opportunity here, isn't it? I have mentioned the South West Water example. There are ways of bringing income to upland farmers that is not from the public purse. It is from the water ratepayer's purse in that case, but we are joining the dots here



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between how you treat water quality. It costs a lot of money but if you solve the problem at source then it will not cost you so much. Rewilding has a part to play in that in the uplands as well.

Dr Kirby: One thing that strikes me is that as well as the political change that is going on, we are in the middle of climate change. The environment is probably going to change even faster than it has done over the last few decades. Some of the approaches to land management that we have used in the past we may suddenly find are not appropriate or produce different results to those we were expecting. Therefore, it would be helpful to have some areas where we are not intervening to the same degree so that we can see what effect things like climate change have when we are not managing so intensively. That may then inform what we do in the more intensive areas.

Q241 **Caroline Lucas:** Do you think the economics of that can work in the sense of if you are not having such an intensive use of the land, in your scenario just then would you be relying more on tourism, let's say?

Dr Kirby: I think that would be one of the other income streams that could come in, but the other aspect is that if it helps us to understand why we are still getting problems elsewhere, that in itself is an economic gain.

Q242 **Geraint Davies:** What you are saying about the spatial plan for natural capital and maximising returns is very exciting, but wouldn't you agree that post Brexit the big threat is that falling exchange rates and increasing tariffs will put a higher premium for farming on all land and intensive use of land and so the economic factors are pushing away from rewilding and not in its favour?

Dr Kirby: I think the risk is that there may be almost a divide in the sense that on the productive land there may be more pressure to take out the remaining hedgerows and so on, but what we might see on some of the more marginal land is that, with less subsidy, land is abandoned, as is happening on the Continent on a large scale and has happened to some degree in Scotland. It might be that some areas would fall out and planned rewilding would be perhaps a better use than just simple abandonment.

Q243 **Geraint Davies:** Professor Brazier, there are cases, you have made the case and there is a margin here, but the fundamentals are the exchange rates and the tariffs are moving against rewilding. We can't pretend that Brexit isn't going to make it much more difficult and more intensification rather than less. Is rewilding some sort of wild dream?

Professor Brazier: It could be suggested so, but economically we have to take a long-term perspective here. If we are to intensify our land use we have to do this in a sustainable manner otherwise we will lose the very resource, the soil, that we are growing our food in. Where rewilding comes in there is to maybe even allow us to intensify land use upstream of rewilded areas that mitigate the soil erosion, the diffuse pollution, the



flash flooding that we see from intensive agriculture. In my opinion, in the long term the two have to go hand in hand. We cannot farm everywhere intensively and we cannot rewild everywhere either. We need this mosaic landscape where the two things work together very much for that long-term economic benefit, otherwise we will absolutely lose this workable soil depth that agriculture entirely depends upon in many parts of the UK.

Q244 Zac Goldsmith: Some of what I was going to ask has already been asked. I wanted to go back on Caroline's point about income. Certainly there would be areas in the country where a really innovative rewilding programme of the sort that Charles Burrell has been engaged in would draw tourism, but on a national scale, when you are talking about potentially very small landowners and hill farmers and so on, the opportunities are going to be less obvious. Presumably it is your view, as a panel, that if this is something that we are going to get serious about in this country it will require us to redefine the public good in such a way that the kind of work that Sir Charles Burrell is engaged in qualifies so that you are able to tap into a repatriated CAP regime. Presumably it is not possible to deliver a national rewilding programme that is sustainable and good in maintaining our food security but is also viable financially without tapping into a repatriated pot. Is that your view?

Dr Kirby: The whole ethos of rewilding is that there is going to be a series of public goods coming out of these areas. There will be costs associated with it and, therefore, some input from a repatriated CAP, if you want to put it that way, can be justified to pay for the benefits that will come from public goods for which there is not otherwise a viable market at the moment.

Q245 Zac Goldsmith: To make this work, you have to have an acceptance that subsidies should only be there where there is some kind of return, some kind of public service, public good provided by the land manager. We need to win that argument and then define rewilding as a public good. If we do those two things then inevitably it flows that some of those subsidies will enable you to continue the work that you are doing. I am assuming there is no dissent on the panel.

Professor Hartley: I think it is important to recognise what a number of us have already mentioned about the integration of the UK landscape and about the importance of linking production with the wider natural environment. There is an opportunity to look here for what we might call win-wins where we can benefit from the ecosystem services that rewilding schemes provide—Richard gave a very good example and there are others, around pollination services for example—and use that to help maintain our productive land. There is a limit to intensification. We cannot continue to keep pouring chemicals on to the land and we have to somehow do exactly what rewilding wants us to do, which is to restore the ecosystem functions and processes that were present in agricultural ecosystems as well as in other ecosystems. We have lost a lot of soil microbial diversity, for example, in agricultural systems and that has had



an impact on our ability to maintain crop yields. We have been making that good by pouring on chemicals, but we are going to be reaching the limit to do that.

It would be good to get away from that kind of dichotomy of intensive production and rewilding. I think it is more integrated than that. We have to think in a more systems way.

Q246 Zac Goldsmith: I am going to apologise in advance. I can't be here, even though it is a fascinating session, so it is not a reflection on your evidence that I am leaving. Do you think from our point of view, from a policymaking point of view, it would be helpful to lose the term? Given that rewilding is, in a sense, a consequence of good land management, so you have the water companies in Cornwall paying for different management of land to prevent floods downstream. In a sense, you could describe that as rewilding if it is done properly. From our point of view, is there a risk that in treating rewilding as a separate thing to sustainable agriculture, sustainable land use management, it is confusing to people who are not—

Professor Brazier: I am sure it is confusing. I think it needs to be part of this whole story. In the south-west we call it "upstream thinking" and that is because it is from a water company perspective. Rewilding is absolutely right now part of that whole programme. It needs to be part of it and, yes, it probably is confusing but it can be written in, for example, to a repatriated CAP in such a way that—and not just political support but across the whole country—allows for fair and equitable spatial distribution of the funds to the right places to do these different activities, some of which might not be termed rewilding but they are on that continuum that we have heard about earlier on.

Q247 John Mc Nally: We have touched a little bit on the risks involved with rewilding and I wonder if we can develop that further. In your words, what are the risks associated with rewilding? Why are some people, especially farmers and landowners, sceptical of it as an approach? For example, as you said, it is often equated with land abandonment. Even under present arrangements, there are vast sums of money channelled into landowners engaged in very ecological questionable practices such as the intensive management of moorland for grouse shooting. How do we ensure that money for rewilding is not channelled along similar routes?

Professor Brazier: I think the biggest risk is that we carry on doing things the way we are doing them now in a not joined-up, unintegrated manner. You are absolutely right to touch upon the point that taxpayers' money funds into activities that in many locations are degrading the natural capital to the extent that it is not going to be useful, for farming in particular, in the future. How we avoid that happening is by trying early on to recognise the multiple benefits of moorland, for example. It does so many different things other than support grouse and it makes so much more sense for income to flow to that landowner or farmer to



enhance those ecosystem services, those goods that that moorland can produce.

Some of the work we have done on Exmoor and Dartmoor has shown it is fairly straight forward to monitor how much more water storage you get in an upland when you restore its hydrological function and then to map that over the whole 1,000 square kilometres of Dartmoor. We have now done that body of work and so we have the evidence on that landscape scale to say what would happen if you restored in terms of water storage. We are at a point where you could then draw funding into a whole landscape scale rewilding programme up there.

Professor Hartley: I think that is absolutely right and highlighting the benefits of integrated land management is very important, but one of the key things here is public and stakeholder engagement at an early stage and communicating some of the advantages that Richard has been describing very clearly early on. Lessons have been learned from other projects where if you don't do that then misconceptions can happen. One of the risks is potentially a lack of clear communication about the aims of a rewilding project and the potential benefits.

One of the other risks that I would highlight as an ecologist who has worked on a number of largescale experiments is that you can sometimes get unpredictable outcomes from community interventions. But that is not unexpected, it is not a difficult problem to deal with. I think the way forward is to continue to do what my colleagues have been saying, which is collect more evidence and that gives us a better understanding of those processes.

Dr Kirby: If we go forward with some more trial areas or whatever you might like to call them, then I think one of the lessons that would come from that is what is the best way of monitoring to show that you are getting the expected, and in some cases unexpected, benefits but also what the risks are. Start with a clear idea of what potential risks are—if there is a swine fever outbreak what would we do if there were wild boar in an area—to try to scope those beforehand. That will also make it easier for stakeholders and local communities to come to be supportive if they can see that, "If this happens this will happen, this will be the response, and it will stop at this point".

Sir Charles: A lot the risks are known risks. What we see in a very crowded Europe is that a lot of the risks associated with some of these reintroductions of animals, beavers for instance, are very much known. It is the ability for us to then be able to translate that into a context for ourselves and work out what that risk means and what we are going to have to do about it.

Q248 **John Mc Nally:** Following on from that point about communicating with the communities, I certainly believe, as Benjamin Franklin said, that an ounce of prevention is better than a pound of cure. That takes me on to: how can rewilding advocates improve the acceptability of the approach



for the public and other land managers? You will probably be very much aware of the fact—I think it was last week on Radio Scotland where they had farmers, landowners on the Isle of Mull where there has been an introduction of sea eagles, very successfully and beautiful birds. It is a very good example of how not to engage with stakeholders when introducing a species and they will take lambs. When the farmers saw this happening they tried to get their voice heard. I think it is only beginning to be heard now. Could you tell me what mechanisms are in place and how these other developments will be supported?

Professor Brazier: What I would talk about is the beaver reintroduction, particularly with respect to the River Otter beaver five-year trial licensed by Natural England. We don't just learn about the science of what beavers do to water resources but we also build a management plan. We take lessons, particularly from Bavaria, for example, where they have a management plan on the whole country scale, and we put those to work when, for example, two days ago these animals blocked an agricultural ditch that flooded some farmland. We get to work on that with Devon Wildlife Trust, Clinton Devon Estates, all of the key players, the farmers, the tenant farmers, and we work out what the solution is and we map that and record it as a case study to try to understand more widely. In the example of the beaver, if we see those animals in other catchments in the future how are we going to deal with the problems and the challenges, because they will present us with challenges that they cause.

Charles is absolutely right, there is knowledge from elsewhere where rewilding or introduction of large mammals or sea eagles or whatever the species might be is way ahead of us and we can use that knowledge very effectively.

Professor Hartley: Of course rewilding is not alone in there being issues of public engagement and stakeholder engagement. There is a lot of lessons that can be learned from other fields where there has been a need to convey information to the public and to stakeholders. I think it is fair to say that a lot of aspects of science have learned an awful lot about how to do this, and probably more about how not to do this, in the last five years or so.

Dr Kirby: We have got to be open that they will take land and work out a system of compensation. If scaring is a way of doing it, then if that has been shown to work, guard dogs in the Pyrenees for the wolves, there are lessons we can learn. We have to work out which are appropriate for us.

Q249 **Geraint Davies:** What do you feel is the optimum scale for rewilding, whether it be large scale, small scale or it could be mosaic and within a special plan that Professor Brazier mentioned? In my previous question I mentioned that the economic factors are moving against rewilding in terms of tariffs and exchange rates. Do you think this is the time, if we do go ahead with Brexit, given that farmers are getting more economic benefits from tariffs and exchange rates, that we should withdraw



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farming subsidies and give them to rewilding instead? Professor Brazier, and could you answer the scale question as well?

Professor Brazier: I will get to the scale. I will try to answer the more controversial question first. I think an entire withdrawal of subsidies to farming is going to result in a collapse of a lot of livelihoods and social wellbeing. I think a refocus or a retargeting of those subsidies—

Q250 **Geraint Davies:** Could I rephrase it? Would it be reasonable for the economic benefits from increased tariffs and reduced exchange rates that give an extra premium to farming to be offset against what they were getting in subsidies and to give that money to rewilding?

Professor Brazier: That could be the case, yes. I would certainly start with the more tangible ways in which you could increase public good from farming the land, particularly in those areas that are not being productive anyway, say wet and cold soils. On every farm there are parts that are not productive. That brings me on to the scale question. On every farm you could rewild part of that landscape, 1%, 5%, 10%, without impacting productivity, in my opinion and also based on the research that I have done. I think the scale should be politically overseen and supported on a national scale but it should be implemented strategically across catchments and maybe some examples with the Defra terrestrial pioneer could be used as a sort of test bed location. It should be planned on catchment scales but implemented on farm scales, working with farmers just to find those optimal places to do this work.

Q251 **Geraint Davies:** Charles Burrell, I don't want to take all your subsidies away, only some of them.

Sir Charles: Back in 2004 the decoupling of production to subsidy happened and what we were meant to do then was think about what our farm and land was suited to, what we were going to do with it. Nearly all my friends, farmers and landowners, did nothing. We, on the other hand, looked at it and we were not making money. We knew that we were not going to be able to compete with our land as it is with a green belt bit of land. We are not going to be able to compete with the best of the commodity producers, so there is very little that we have space to do for continuing to compete with people who can produce double the amount of food that we can per hectare.

You are then looking at marginal land as something that could be used for something else and our decision-making for all of this was to do with money, that we knew that we could not carry on the way we were doing what we were doing. The idea of this rewilding project came out from that and we then started to look at our assets and look at where we could possibly make money that would be different and outside of a commodity-based business. You can see that there is certain bits of marginal land that could be used for that.

On the idea of scale, if you can think of a graph where you have lots of intervention in terms of how you manage your habitats for nature, all the



way down to no intervention, to wilderness, and then you put on the Y axis a scale, you will then start to pick up where you are on that rewilding scale and where you can be. The more intervention further top left you are the further the wilderness area at the bottom right. This scale and this idea of where these things can happen all make a huge difference. If you give 10% or 5% of your land over to nature on your farm, you are just doing what you are doing already, which is your margins around your fields. You have to do more than that. It has to be bigger than that. It has to be thought through, joined up, a whole new way of thinking, bringing down those boundaries between land holdings, really thinking about landscape.

Q252 **Geraint Davies:** Subsidy withdrawal, scale, Professor Hartley?

Professor Hartley: I would say that the answer to both scale and subsidy is similar, and that is thinking about what we want our landscapes to look like in the UK, what is our vision, what are we trying to achieve. The subsidy regime should be looked at in that context because it is one of the important drivers in delivering that vision. In terms of scale, again depending on what you are wanting to achieve and how exactly you define it, I think you can do rewilding very small scale on individual farms, and we have heard some examples. You can do it on a larger scale on whole landscapes. What you can achieve in those two different scales is rather different; the Scottish uplands are quite different to Berkshire in so many ways.

Dr Kirby: I think largely what has already been said, but what is important is that the subsidies are seen as part of the spectrum, that it is not a case of we will take the money out of farming and put it into rewilding. That would then make this division that we are trying to avoid. We are looking at integrated land use and there will be higher rates here and lower rates perhaps there for the environmental support.

Geraint Davies: Just a little bit of it.

Dr Kirby: Some of it. As we said earlier on, at this stage we are probably looking more at some field trials. We are not saying that there would be a large area that we could justify putting into rewilding at this stage, because we don't know enough, but the point about the scale is that the bigger the area you have to play with, the less you need to intervene.

Q253 **Kerry McCarthy:** Quite a lot of what I was going to ask has been covered, but if the Government were to pursue a strategy of rewilding, or encourage it, obviously some farmers are very much engaged with it, very much geared up, wanting to do this, but many are not. Is there the skills base, the interest? What needs to be done to bring other people on board who are not already on board?

Dr Kirby: I think one of the analogies that could be useful is things like when the community forests were first set up, when the nature improvement areas were established a few years ago after John Lawton's report. In other words, you almost put out a challenge that Government



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are prepared to support a number of these schemes and ask people to come forward where they think they could put forward a scheme. Then you are dealing with people who want it, who go round and talk to their neighbours and perhaps bring them on board as well, and you then end up with something that will hopefully work or at least you are starting from a solid base.

Q254 Kerry McCarthy: That works for the people who are willing to come forward. If we are looking at a business case for rewilding, what job of work needs to be done to persuade those who are less willing to come forward?

Sir Charles: One of the main stoppers at the moment is the permanent ineligible features and the temporary ineligible features. We get penalised if we have trees on our landscape, if we have wood pasture, if we have scrub, if we have extended areas where we have flood plains for streams, if we have ponds. They all are penalised at the moment. We get money taken away. That cannot be good for nature; it must be mad. That is a very simple thing, to get rid of PIFs and TIFs.

One of the other things that stops landowners and farmers doing these sorts of projects within their own lifetime is that once you create something, if you allow scrub to appear and then that scrub attracts lots of life, as it has with us, you get to a point where if you ever wanted to change anything you would then be slapped with an SSSI. You would be stopped doing anything to get rid of it, next generational stuff. One of the ideas is that we ought to be thinking about regionally catchment areas, whatever it is, pop-up areas where this is allowed to happen within an intergenerational 25-year period. At the end of the 25 years it can come out again as long as there is something else coming along to replace it. There are a lot of these ideas that could at the moment stop dead in their tracks anyone wanting to do it because they are worried about what the next generation is going to be lumbered with.

Professor Hartley: I wonder if we could take advantage of some of the schemes that are in existence of farmer networks for developing new ideas, innovation in agriculture. There are things like demonstration farms; the NFU run a number of such things and so do other organisations. I think it is important to engage with landowner organisations and farmer organisations, but maybe we could have demonstration rewilding projects. We have a project at York at the moment that is looking at farmer behaviour and one of the biggest drivers is what other people are doing and being able to see that in action. If we could fund some of these small scale trials that Keith has been talking about and other people can see that in action and see it working, that is a great way forward.

Q255 Caroline Lucas: I wanted to pull out that last thing you said, because it does sound really important, this perverse incentive to destruction. I wanted to run past you the way in which George Monbiot put it in his evidence, with his usual trenchant style, when he said, "Destruction is not



an accidental outcome of the subsidy regime. It is a contractual requirement. You cannot claim subsidies for land unless it is in good agricultural condition". In terms of us being able to firm up the evidence we are taking here, would you all agree that in a post EU subsidy world one of the things that there is an opportunity to change would be precisely that perverse subsidy, that perverse rule?

Sir Charles: We would not have been allowed to do what we have done unless we had had the backing from people like Keith on Natural England. We would not have been able to do what we have done unless we had a whole group of 25 advisers, who are well known figures in the scientific community, to say that: can you get a derogation to allow this to happen? Clearly we are not allowing our land to be kept in good agricultural condition. It is a very different scenario.

Q256 **Caroline Lucas:** You had to have that derogation to enable you to do what you have done?

Sir Charles: Yes.

Professor Hartley: I think that summarises very nicely the point that we have all been making that we need an integrated approach to land management, we need to have a clear vision about what we want our landscape to look like and we need to match the subsidy regime to that vision.

Dr Kirby: If you took out the word "agriculture" and said "the land must be in good condition", that can then be defined in a number of different ways that are appropriate for a particular context.

Chair: Many thanks to the panel for that session. That was very informative. Thank you very much.

Examination of Witnesses

Witnesses: Guy Smith, Peter Melchett, Murray Davidson, and Sarah Fowler.

Q257 **Chair:** Good morning, ladies and gentlemen. I am Peter Aldous. I am standing in to chair this session for Mary Creagh who sends her apologies as she is unavoidably detained. Before we get on, I will just declare an interest. I am a partner in a family farm who are members of the National Farmers' Union. Many thanks for coming to this session. We are particularly going to be looking at perspectives on leaving the EU.

I will just kick off with a general question. In your witness statements you have all, in different ways, described the vote to leave the EU and the end of the CAP in the UK as an opportunity. I would be grateful, by way of introduction, if you could each explain why you think it is an opportunity and do you think there are any opportunities that each of you agree on, and then just quickly outline the risks as well. Mr Smith, if you would like to lead off on that.



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Guy Smith: Thank you. Good morning and hail fellow farmer, Chairman. I know the smell of a proper farmer when I meet one. Anyway, I digress.

Can I just dispel a myth, which is that most farmers voted for out? This was based on an internet poll done by the *Farmers Weekly* but it was an open poll that are notoriously bad ways to assess opinion. The NFU did some proper surveys of its members and we found that it was a third of our members wanted to leave and two-thirds wanted to stay. We think that is a proper indication of how the community felt, although I did notice in talking to hundreds of our members in the run-up to the referendum that the outers were far more committed, vocal and passionate, and I think that created an idea that we were very split. However, from our survey of thousands of our members over the last two months, it is clear to me that there is a will in the farming community to put the debate behind us and to move on because we must see this as an opportunity.

Chairman, you asked why do we see it as an opportunity. We have to see this positively as we go forward. I think farmers tend to be optimists rather than pessimists. Most farmers I know think the next harvest is going to be better than the one they have just had. Although we don't underestimate the enormity of the challenge, the repatriation of agricultural policy back to Whitehall for the first time in 40 years must be seen as a chance to build a more vibrant and more robust agriculture.

The threats that you mentioned, Chairman—and we heard this again and again in our survey—are that there is concern among our members that they feel that British farmers tend to operate to world-beating high standards, particularly on animal welfare and on food safety and food assurance. We desperately do not want to see those standards watered down if we are forced to compete against agricultures in other parts of the world that clearly do not have such high standards and, therefore, have lower costs of production and then have a competitive advantage. The best and most famous example of that is the use of hormones in South America. If the financial services sector ask Mr Fox's trade negotiation team to do a deal with South America whereby they can get their services into there and in return all we get is beef, obviously there will be a problem for our farmers because they will be placed at a competitive disadvantage.

More broadly when it comes to support, I think our members would welcome a world where no farmers got any support because they would think that is a level playing field. What they are rightly wary of is competing against other farmers who get greater levels of support, and I would remind you that most nations of the world operate some sort of agricultural support for their farmers. Finally, when it comes to ag environment there is a commitment to carry on the trailblazing, world-beating ag environment schemes that we have had in this country for the last 10 years.



Sarah Fowler: I will start off by saying it is National Parks England I am representing here as one of the national park officers. We have not taken a view on the merits of leaving or not, but when change happens you always look at opportunities and look at managing risks and that is what we are doing. In representing the collective view of officers in national parks, there is a real opportunity to make tangible improvements in the environment through a new system of farming and land management that supports and properly recognises public goods produced by farming, that properly recognises the environmental, social and economic landscape of national parks and that increases support to those areas. I think there is a real opportunity to simplify our system for supporting farmers, have less complex schemes that will engage and encourage farmers to be involved. I think there is an opportunity for Government to demonstrate their leadership with the manifesto commitments about handing on the environment to future generations at least better. There is something for us there about better or at least good.

I can identify a number of risks, but there is one other opportunity that I think other members of the panel may not raise, which is about opportunities for people to be better connected to the environment. If we look at engaging farmers and land managers more in contracts with how they look after the land, we are engaging them more in looking after and being better connected. But I think if you look also at the wider opportunities for tourism and connecting people, the opportunity for staycational visitors from international places coming here, enjoying our world renowned landscapes, being moved to understand them and then moved to care for them, is a great opportunity too.

Murray Davidson: I am representing the Association of Local Government Ecologists, a local government voice. We represent professional ecologists up and down the country. We have said in our submission that local authorities manage practically more land than wildlife trusts and the voluntary sector put together. We are very competent land managers when it comes to sites of special scientific interest, local nature reserves and so on. We prioritise the public good. We are very good at knowing what the public good actually is.

The Association of Local Government Ecologists feels that the opportunity for a post-Brexit framework needs to build on the opportunities to provide a framework for managing the natural environment nationally, regionally and locally. We feel that to date we have had an agri-centric approach to the common agricultural policy, which is an agricultural policy. We feel that this is a once-in-a-lifetime opportunity to reset that balance and change it so that we have an environmental policy of which agriculture is a part. That is a very radical view. We feel that Government policy has been very good over the last number of decades and it has been moving in the right direction, but all the reports show that biodiversity in the natural landscape is becoming more fragmented, degraded and less diverse. Part of that is due to the perverse incentives that we have heard of before about the common agricultural policy. It is



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an agricultural policy, and we feel that we should be reversing that to make it an environmental policy. That would take into account some of the issues in the previous session, where you are promoting a different type of management of the whole of the UK. You have to understand what you want by the UK. This is an unprecedented opportunity. You have to inform Government of that.

Peter Melchett: Thank you very much, Chair. I am here for the Soil Association and the Organic Research Centre. In terms of delivery, you have heard about the need for certification and integration, but I would say there are four key opportunities. One you spent some time on this morning was rewilding. I agree with what was being said there. There are real opportunities.

I would say there are three others. Wildlife in this country is integrated with agriculture. We have had farming for thousands of years. Many species depend on agricultural systems. Rewilding will not help all of those and, as you heard earlier anyhow, it will not be appropriate otherwise, so we need farming systems that reverse what is still a catastrophic decline in wildlife. We saw just recently, for example, butterflies declining. My favourite, the peacock, is down sixfold in three years. For gatekeepers, which were really common all over Norfolk, where I farm, there was a 40% decrease in 2016. We have seen 75% of British butterfly species in decline. This is not because of crows and magpies. This is because of agricultural systems and pesticides. We need farming systems that will not only stop that decline but reverse it.

I would mention two other opportunities. Climate change. Agriculture is a major contributor to climate change. The European Commission estimates farming will be 30% of Europe's greenhouse gas emissions in current trends by 2050, unless we change track. Agriculture was included in the Paris Agreement last November for the first time. We have to make 80% cuts by 2050 and go to zero-carbon farming thereafter. Since the Climate Change Act was passed and Parliament set up the Climate Change Committee, agriculture's emissions have remained level. We have seen 80% cuts in the waste industry's emissions, 50% cuts in the industry generally, and zero since 2008 in agriculture. There is a huge challenge and opportunity there.

The final point I would make, which I do not think you have heard about particularly yet today, is the public health challenge. We face a public health and obesity crisis. People are talking about it threatening the future of the NHS as a service free at the point of delivery because of the doubt related to health. There are a lot of measures we could be taking to support the farming industry in this country to deliver better public health, as well as cut climate change emissions, as well as bring wildlife back and rewild where it is appropriate.

Chair: Thank you very much for those introductions.

Q258 **Geraint Davies:** That was very interesting indeed. I mentioned in the



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previous session that what we now face is exchange rates going down and tariffs going up, which to a certain extent would give a return to farming as opposed to rewilding. I was wondering whether, in that context, people felt that there was now a case to relook at everything. Peter Melchett has mentioned there is a case to look at the balance of subsidy with a view to a spatial plan and a sustainable future, which also supports and protects farmers from the sort of thing that we heard from Guy Smith in particular, protects the import of hormone-impregnated South American beef and the like.

Peter Melchett: The picture on what tariffs we will face and what trade deals we will have is so unclear as to be impossible. We do not know if we will, for example, have headroom under WTO rules to support food production per se, rather than pure environmental measures. The EU has some. Will we outside the EU? Also how long is it going to take? Is it going to be a couple of years or six years or eight years to make trade deals? This concerns the organic sector because we have very healthy exports to not only European countries like Germany and France, where there are strongly growing organic markets—11% growth in Germany—but also the US, with 11% growth, and China, with about 25% to 50% growth in the organic market, now the third largest in the world.

Those opportunities are real, but I do not see them providing the sort of support that we will need to keep people working on the land in this country in farming. We need to continue, I believe, to produce food, but it has to be high quality and it has to deliver the public goods, which I mentioned: the public health outcomes, climate change outcomes, wildlife outcomes, and many others you are well aware of. We have always been in favour of all of the agriculture subsidies, Pillar 1 and Pillar 2, being paid in return for public goods, and we continue in that position. That is the opportunity.

I do not see tariffs and trade riding to the rescue in the short term, and maybe not in the long run. They will not deliver those public goods, in any event.

Geraint Davies: TTIP will not.

Murray Davidson: We are hearing a lot about public good today and the tangible and intangible benefits about public health, about people's perceptions and people's quiet times in the countryside. We are also looking at the future of this £3 billion subsidy that we put into the common agricultural policy. If some of that is coming to the UK to deliver not just agriculture but the whole landscape, we need to understand what we want our landscape to look like.

One of the previous speakers said quite clearly that we need to understand what our landscape needs to look like. Agriculture is part of that. Just now, we only have a system of payments for agriculture. We do not have a framework or a system of payments for managing the wider natural environment. If local authorities or wildlife trusts or third sector



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organisations want to manage with stewardship subsidies, with stewardship payments, they have to try to demonstrate that they are an active farmer. While they may prioritise biodiversity in the natural landscape and the public good, they still have to straitjacket themselves into a subsidy arrangement that is basically for farmers and for agriculture.

If we want to move out of that, I would suggest that the policy arrangement that we need to get to is not a farming subsidy; it is a more environmental subsidy of which farming is an integral part. Then we can identify what our outcomes are and we can pay for those outcomes generally across the board, whether it is within agriculture, nature conservation, rewilding or species protection and so on. There is a whole new landscape opportunity there to move away from the common agricultural policy approach to a much more holistic vision of how we want the UK countryside to look as far as its natural capital is concerned.

Sarah Fowler: The biggest risk here is the uncertainty and ambiguity around what is going to happen in the future, and all of us here are working with that, as well as yourselves. Our views will develop and change as we get more certainty.

It is the uncertainty of financial support to farmers, as you quite rightly raised as a risk here. You could either have farmers deciding that they are going to step away in abandonment or you have increasing intensification. It is how we find a middle ground that delivers those public goods and avoids that intensification or abandonment. Either of those have impacts on delivery of public goods and the way that we manage our land.

We need to avoid perpetuating the income-foregone subsidies that are given at the moment because that subsidises particular farmers but not others, and you could argue that the current regime increases land values and causes problems.

Just one other one, if I may raise it, is around the risk of environmental policy and support becoming a battleground in the argument against economic values, and the risk, therefore, that we move to a lowest common denominator and a risk that that economic argument is played out without consideration of social capital or natural capital. We need to make sure we constantly have an eye to the long term as well as economic.

Guy Smith: I think farmers are always happiest getting a return, a living, from the market that shows a positive balance on the profit and loss account, but we are in a trough at the moment of three pretty tough years. We have had some lifting of prices because of the weaker pound, that is true, but it has not really improved the milk price or the wheat price to the point where you say it is showing a healthy return for farmers and dairy farmers.



Farmers like to think that if they can generate profit from their businesses, then they are in the best position to look after the wider environment of their farm, to have well cared for hedges and streams and so forth, but if the market does not allow that sort of indulgence, then clearly we are going to need incentives and schemes to encourage farmers to do so or remunerate them when they take productive land out of production because that compromises their farm businesses. We feel going forward that the most important part of this jigsaw is the trading environment we will eventually find ourselves in, and agricultural policy should reflect that. If we are in a benign trading environment, then it may be that the support would take a very different form unless we find ourselves in a very hostile trading environment. It is what is negotiated, first of all, with the various trading agreements with the single market in the European Union and then wider agricultures elsewhere in the world that is probably most important at the moment.

Q259 Geraint Davies: Are you finding that powerful retailers like Tesco are trying to snatch any additional margins you might make out of your hands in terms of exchange rate changes and the like? I am wondering whether there will be room for manoeuvre or not.

Guy Smith: With respect, that is an issue that has been in the past and will continue to be so in the future. The NFU has always been concerned about an element of dysfunctionality in the grocery area because of it falling into a small number of hands and the lack of competition, and we are always delighted to see politicians support our demands for a Groceries Code Adjudicator to bring some sort of fairness and better behaviour in the grocery sector. We would like to continue to see that unfold. We would like to see the Groceries Code Adjudicator given better powers and a remit spread even wider. We think that is some answer to what we see as a dysfunctionality in that area.

Geraint Davies: Thank you. I know this session is not about oligopoly abuse, so apologies, Chairman.

Q260 Caroline Lucas: I wanted to ask some questions about EU environment law and what happens to that when we leave the EU. The NFU in its evidence suggested that the Birds Directive, having been transposed into UK legislation, will continue to have effect, while sites protected under the Habitats Directive will also continue to remain protected due to their designation as SSSIs. I wanted to ask Sarah Fowler in particular what your response to that is. Is that a bit overly optimistic, do you think?

Sarah Fowler: The transposition of EU laws into UK laws is happening, and the decision to keep that going is a sound decision. I think it means that the principles of EU legislation will remain in the UK legislation for identifying important sites, assessing impact, aiming to move towards a favourable condition, and the whole decision-making process is there. That policy framework will not disappear, and I think that is good.



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The concern that we would like to identify is the grey areas for implementation. Who decides whether you are going to avoid impact, mitigate or compensate, when you get to site-specific examples? Who decides what the overriding public interest is? Who does checks on performance? Who ensures standards are monitored? Under the current regime, we have the European Commission and we have the European Courts of Justice. We have an international arbiter for that. How will we establish that independent arbiter role in the future is the question that we are asking ourselves, especially when we have an independent arbiter looking after internationally important wildlife sites in the UK? For example, the UK has the highest proportion of Atlantic heathland. It has a significant portion of blanket bog. That requires international decisions, not just UK decisions. Clarifying that administration and independence is going to be important.

Q261 Caroline Lucas: Has anyone seen any positive proposals about what those legislative mechanisms might look like? As I understand it, the Supreme Court can cover some of this stuff but not all of it. I would be really interested if anyone has seen any thinking about what you do with those elements. Do you need a piece of legislation that says basically the Supreme Court has jurisdiction over all of this, or do we need some other mechanism? Also, as you say, if the Commission is not referring the Government to somewhere on the grounds of having broken some laws, who is going to do that? Has anyone seen any thinking about this?

Sarah Fowler: We have organisations in the UK. We have Natural England, which one could look at to ensure. The question is: what teeth do these organisations and administrations have to pursue international legislation? I am afraid, Caroline, that is a question at the moment without an answer for us.

Q262 Caroline Lucas: I wanted to come to Guy Smith to ask him in particular about the risk of what has been called “zombie legislation” in the sense that you might get your EU laws carried over into UK law but if they are not updated to reflect the changes that are happening in EU law, then you are going to have two different sets of regulations. It is not a question of just simply transferring EU law into UK legislation because EU law is constantly evolving. Do you see a risk there of what is being called this zombie legislation because it is not being kept up to date and it is not being enforced?

Guy Smith: I think even when we leave the European Union, we will always have to be mindful of what is going on in the European Union, particularly in terms of the CAP. They are our nearest neighbours and they are huge agricultural powerhouses and we import a lot of food from them.

Just to pick up the point about environmental protection, it is always dangerous to be too parochial but I will take you to my farm on the north edge of the Colne Estuary. I am surrounded by SBA, I have SSSIs on my farm, and they are protected under UK statute, and none of that



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protection is in any way being weakened or lessened because we are leaving the European Union. I understand the concern of some of the NGOs that we no longer have this oversight from EU judges and the like, but I think now it is down to our own legislature to have the laws that we need to protect our environment.

Q263 Caroline Lucas: Would you accept that right now our own legislature does not have jurisdiction over all of the legislation that will come over from the EU?

Guy Smith: Yes. It depends on the terms of the Repeal Bill, but if it is cut and pasted in, then doesn't Parliament become the ultimate authority? Isn't that what Brexit is all about?

Q264 Caroline Lucas: That could take us down a very long route. Yes, I will resist the temptation. When you say we need to be mindful of what is going on in the EU, isn't it the case that rather than just being mindful of it, we are going to have to keep pace with it? If we want to be selling our food into EU markets, we cannot afford to have that regulatory contradiction, the fact that we would not be in harmony with it anymore.

Guy Smith: I am so far above my pay grade now I am struggling for oxygen, but you are right. We would have to be mindful of what is happening in the European Union but I am wary of the central thrust of what has happened on 23 June, and that is we are leaving the European Union. We are no longer bound by its decisions, and—

Q265 Caroline Lucas: The thing is you want to sell into those markets, do you not?

Peter Melchett: Representing a sector where the standard is defined by law, yes, we would have to. If we want to sell to the EU, we have to follow the EU organic regulation. It will change in future and we will not be part of those changes, and that is going to apply to selling to the North American market. North America has its own standards, but the EU and North America and the US have agreements. China looks to Europe to set standards, not to individual countries. I think we are going to be takers of standards, rather than part of setting them globally in the future. There is no doubt about that.

Q266 Caroline Lucas: Does anyone else want to come in?

Murray Davidson: As local government ecologists, we can only talk about the legislation as it affects the Birds Directive and the Habitats Directive, and we have to remember the habitats are transnational. They transcend national boundaries. Being mindful and being able to regulate within the context of transnational legislation is going to be very important post-Brexit to safeguard the biodiversity that we have in the UK but is also transnational in its context.

Q267 Caroline Lucas: Thank you. What areas do you think it is going to be most important to improve on existing EU legislation, so not just keeping



pace with it but going beyond it and improving it?

Guy Smith: Doesn't that rather beg the question as to where the European Union is headed in the future? Part of our challenge as a representative body for farmers is that we are very aware that the situation is quite volatile. Although we are keen to distil from our members what they want out of the future and show some certainty and some leadership, we will have to remain very politically light-footed. With respect to you ladies and gentlemen, I am not sure you know what is coming and what water is going to flow under the bridge over the next two or three years. This is where we are at the moment.

Sarah Fowler: I think we have an opportunity here. We heard from the earlier panel about integration, and there are many opportunities for integration and improving on that. There is one opportunity here for us to look across all Government Departments and look at how environmental legislation, as we are doing review, applies to all Government Departments.

I will give you two small examples. One is that leaving the EU gives an opportunity to revisit the case to reduce or remove VAT on traditional building repairs. You will appreciate that in national parks traditional building is an important part of the cultural heritage and landscape. Anything that incentivises that would be a positive.

Another example would be to look at how we can improve upon payments for things like carbon sequestration, and some of our references talk about how we have payments for services. There are benefits for us potentially being more freed up in our decision-making on these aspects.

Peter Melchett: I agreed with Guy when he said that we will need to look at what is happening in terms of public support for farming industries around the world that we are in competition with, not just in the EU, how they value public goods if they are paying for them. For example, in Switzerland, organic farming is reckoned to be worth not £65 a hectare, which we get for an arable organic farm here in terms of the public good delivered, but about £220 or more. For Norway, it is £900 or more. We will need to look at what our competitors outside the EU are doing in terms of supporting public goods, and it would be helpful if we responded to the Norwegian example in terms of organic anyhow.

Guy Smith: I would add that it is not just organic farmers in Norway that get large state support. It is all farmers. When we used to hear that Norway had been put up as a good example of what will happen to the UK going forward, there was a happy cheer that went up, but I very much doubt the British Treasury will be equally joyful about that prospect.

Q268 **Kerry McCarthy:** That leads me on nicely to the evidence that you gave where you said the Government should be looking to unlock private



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sector funding. There is a bit of a dilemma on the NFU's part, in that it seemed to me, ideologically, you are quite uncomfortable with the idea of Government subsidies but at the same time the farming industry is very much reliant on them at the moment. What do you mean by private sector subsidies and funding? What opportunities are there for that?

Guy Smith: A very seasonal example now is farmers working in conjunction with water companies to reduce the amount of metaldehyde that is appearing in water. In the south-west, water companies will give farmers ferric alternatives. Unfortunately, in my patch in the east they are not so generous, but there are schemes whereby farmers take bits of land out of production or whatever.

Kerry, I would point out here that I do not quite agree with the idea that this can operate and legislators in Parliament will never be involved because the reason why you have to take metaldehyde out is because of regulation. There is what I would call quite an arbitrary requirement that you cannot add more than one part per 10 billion of metaldehyde, although metaldehyde has no toxic properties and is far less toxic than things like cyanide and arsenic, which appear at far greater levels in drinking water but do not catch the eye of the regulator because it is felt that they are natural poisons and, therefore, they are okay. Peter may have a different view on that.

Q269 **Kerry McCarthy:** Where does that regulation come from? Is it from the EU?

Guy Smith: It is under the Water Framework Directive, but it would still be embedded in British law that our water companies would have to follow those standards.

Q270 **Kerry McCarthy:** If we were freed up by not being subject to the directive—obviously there are a lot of hurdles to go through once we have got through the Great Repeal Act and so on—would you be arguing that that should be dropped?

Guy Smith: My argument is that—sorry, I am not expressing it very well—market mechanisms, which are often seen as ways forward, are put in there because of regulation, so the idea that these market mechanisms can operate without the interference of the regulator or the onus of the regulator I do not think holds much water. However, I would come back to the farmers being happiest being given a return from the market. For instance, if on my farm—I used to be, until recently, a LEAF member—by having various margins and various wildlife corridors around my oilseed rape crop, I secured a premium on my oilseed rape, that would give me a market driver to do additional environmental work. Conservation grade was another example of that but it has never taken off to the point where we were hoping it would. If consumers are prepared to pay me, as a conventional farmer, more for my product because of additional environmental work I do, I think most farmers would welcome that as a way forward.



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I am sure Lord Melchett is going to pitch in here and say, "Why don't you go organic?" That is because I am a great believer that the soundest way for me to operate my farm is to go for maximum production in the middle of the field and go for maximum wildlife from the edges as a good compromise.

Peter Melchett: I was going to raise a different problem with these private money ideas. In Wessex Water they have been incentivising farmers to reduce nitrate pollution in Poole Harbour, and it has been very successful. Farmers bid. They will say, "For a certain amount of money, I will reduce the amount of nitrogen from my farm flowing into the catchment and into the river". The problem is if I was in that catchment rather than in Norfolk, and I went along and said, "Look, I have not put any nitrogen into your water system for the 18 years since I went organic. How much are you going to pay me?" I asked Wessex Water this question the other day and they said, "Nothing". They are paying the polluter, and the non-polluter is not being paid.

Q271 **Kerry McCarthy:** That was going to be my follow-up question.

Peter Melchett: I am sorry, Kerry.

Kerry McCarthy: No, I am glad that you have answered it already because, yes, you are paying farmers to do things that ideally they should not be doing. That is what I was trying to get at, probably a bit clumsily, in terms of if you wanted the regulation removed anyway in terms of what you put into the water, where does that get us? It does leave the farmers that would not be causing pollution in the first place in a disadvantaged position.

Peter Melchett: That is an example not of regulation, but nutrient enrichment is a physical occurrence. It happens where algae blooms, fish die. It is nothing to do with regulation of the EU. It is in water companies' and the public's interests, in Anglia's interests and in everyone else's interests that that should not happen. I would say the way to do it is to encourage Guy to go organic, to make using less nitrogen a sensible way of farming, both for the sake of the water quality and also to reduce greenhouse gas emissions. We are going to have to go there by 2050 anyhow.

Q272 **Kerry McCarthy:** When you say to encourage him, do you mean just put the moral or environmental argument, or do you mean incentivise him?

Peter Melchett: I am sure Guy is a good farmer, and farmers have to make money. You have to make the economic case. All of us are running businesses. We all have to make money or we would go out of business, and that is a fact of life whether you are organic or not organic.

Murray Davidson: Just as an example on your point there, I represent Hastings Borough Council as well. You are quite right in that farmers will do what they are paid to do, what the subsidies incentivise them to do. We had a tenant farmer where we had to terminate the tenancy because



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the overproduction of farming “milk quotas” for the size of farm meant that there was incredible slurry runoff into a site of special scientific interest. We, as a public body, had to take a stand on that because that was not serving the public good. It was also creating an adverse impact on a site of special scientific interest, and we had to take a stand on that. We released the tenant farmer, but that costs. That cost us to get rid of the farmer out of his agricultural tenancy and then it starts to cost us to clean up. The farmers are not necessarily paid as polluters, but the public bodies or the bodies that take over from those pollution incidents, like the water companies or whatever, they have to pay. There is a perverse incentive there in—

Q273 **Kerry McCarthy:** If that farmer had not been a tenant farmer and was carrying on that behaviour—

Murray Davidson: We had to make a public stand because it was our own; it was public land. We had to make a stand.

Kerry McCarthy: Yes, but if that was not public land, and then there is pollution caused to the SSSI further down by the farmer, you do not have that same mechanism.

Murray Davidson: That is right. Not at all. We have turned that around. We have turned that farming practice around. We have integrated farming and nature conservation management. I think the Association of Local Government Ecologists shows that that is an example of how we can scale that up into a national scale of integrated farming practices and the natural environment to get a natural environment that we want. We have to understand what we want.

The only system of payments that we have just now is through the common agricultural policy. It incentivises farmers for doing particular things. We heard earlier, and I have examples of this, where we have perverse payments, where we increase the amount of wildflower meadows, we increase the margins around our crops, and then the Rural Payments Agency comes in and says, “You have far too wide margins there”. They do not accept that there is a wider biodiversity gain there, but we get penalised for that. We get financially penalised. It is the whole system of payments and the structure and framework for payments. I think there has to be a structure for payments coming out of the current common agricultural policy. It has to be based on the outcomes that are agreed at national and regional government level.

Sarah Fowler: May I just talk about that scaling up? A lot of the conversation so far has been around individual farmers, but a lot of that work has been around the catchment scale or the landscape scale initiative. There is scope here, whether we are in the EU or outside the EU, to think about that landscape scale approach to partnerships. We have talked so far about water quality and we have talked about water companies providing private sector funding into largescale landscape projects. We have examples across the national parks—whether on



Dartmoor or on the Peak District—of water companies investing millions of pounds into landscape scale work.

The question I have is whether this move out of the EU and this integrated policymaking allows us to think beyond water quality. Water quality has been something that has been discussed for the last 10 years. What about thinking beyond water quality for natural flood risk management, to carbon sequestration and where insurance companies fit into this equation? It is those sorts of debates that I would value us looking at as part of looking at private sector funding.

Q274 John Mc Nally: Following on from that, I am quite keen to explore the concept of public funding for public goods, for my own understanding of that term, and the implications of funding for environmental land management and potentially food security. I know this could be quite a long answer and we are tight for time, so I would appreciate if we could try to keep it as brief as possible.

A common theme in the evidence we have received from both the farming and environmental groups is that subsidies should be tied to public goods. What do you understand by this as a concept? How can it be used to allocate funding? Would the money be paid to land managers or would it go into the pockets of the farmers?

Guy Smith: I always struggle with public goods because I think it is the intensely political analysis, the political football that is kicked around by vested interests, unless of course it is the NFU when it is as pure as the driven snow. If you survey British consumers, they will tell you that they want to be able to source local food. You could argue that is a public good and policies should put in place mechanisms to make sure that happens. You could argue food security is a public good, but I fully confess that that is politically debatable. For 20 years in between the wars, this country was quite happy to secure 80% of its food needs through trade, but in 1939 that was felt to be a rather foolish place to have found itself and we reversed that policy. In 1947, through the famous Agriculture Act, we decided that it was legitimate for the state to encourage farmers to produce more from our own resources rather than being solely dependent on imports. These debates are alive and well today.

I noticed you made reference to Dieter Helm's paper in later evidence. Dieter suggests that only when it comes to food and farming do we worry about security. What about energy? Do we not have policies in this country where we feel that it is reckless to become hopelessly dependent on other countries for our energy needs? You could argue that food security could follow a parallel argument that it is sensible and prudent to retain a level of food production in the UK for our own food needs. The NFU has no ambition to create some sort of "Fortress Britain" whereby we are fed purely from our own shoreline inwards, and goodbye to oranges and paella rice from now on, but I think it is a good metric to judge whether leaving the European Union has been a success and whether it has, through its policy framework, acted to increase our level of imported



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food. If you are struggling for metrics of success, which I think we are as a country, that is not a bad one to put down on the table.

Sarah Fowler: Put very simply, public goods are around environmental services, whether it is the cultural heritage, natural heritage, landscape. There are regulatory services that landowners and land managers and farmers provide support for: regulating flows, slowing flows, water quality, storage of carbon. We have touched upon all of that.

There are wider support services that we have not touched upon much today so far, which are simply about these landscapes feeding the soul, feeding our wellbeing as a nation. Peter did mention that sort of wellbeing. The opportunity to promote understanding, promoting rural skills. The Peak District is a rural environment in the heart of huge urban areas. That value of having that breathing space and that lung is immensely valuable, and obviously there is food production and the concept of eating the view and being able to eat locally.

Public goods are fairly well understood. It is the public funds element that is an interesting one. At the moment we are talking largely about farm subsidies and payments from CAP moving into the UK. There are questions about other public funds and how those are spent: flood risk funding, water company funding.

I will give you an example of the scale we are potentially talking about. Currently, about £30 million goes into the Peak District every year to farmers, either through the basic payment scheme or through agri-environment schemes. We should be asking ourselves the question: is there a better way for spending that money to deliver goods?

Murray Davidson: We have rehearsed the argument of public goods, and public money delivering public goods, public goods being habitat restoration, wildlife, quiet places of contemplation and public health. We know that the public health agenda improves when people get out into the countryside. It has positive benefits on physical health and mental health. There are many learning opportunities for schoolchildren and for adults. There are many public good benefits there.

Many local authorities do not need to make a living. They are not farmers in that they need to make that living. What they prioritise is that public good. They prioritise habitat restoration, interpretation and learning opportunities. The current system does not allow us to properly exploit that. That is why we are arguing that we should move to a system where we can deliver public services, public good, for public money.

For instance, in our stewardship payment, all local authorities, as I said earlier, have to try to pretend that they are farmers in order to get stewardship. They try to squeeze a square peg into a round hole to try to maximise the environmental benefits that they get from it, but they always have to try to play the game of being farmers because that is what the rigid system determines what they must do. That is not good for



the future of the natural environment and it is not good for the public perception and the public wellbeing within the UK. It comes back to the point where we need to move from the current system. The current system is broken as far as the UK environment is concerned. We do not want to fix it. We want to do something completely and radically different, and that relates to public benefits, public money and public good.

Q275 **John Mc Nally:** Yes. I think Peter spoke earlier on about obesity in the country, and that would cross over.

Peter Melchett: Maybe I will just make two points. First, if I grow a field of organic wheat—I do not put any nitrogen fertiliser on it, I do not cause Murray much greenhouse gas emissions, no pesticides, no water pollution, no groundwater pollution—I am furthering public goods in that process. Once the wheat is ground into flour and baked in a loaf of bread and somebody buys it and they eat the loaf of bread, I am not sure the process of buying the food and eating it is delivering—that bit of the chain—any public good. Once you have eaten the carrot, you have eaten it. The public is not continuing to benefit. Indeed, it does not benefit much when you are eating the carrot either. That is where the line is, I think.

One area that I mentioned at the beginning, which has not been picked up particularly, is the public health area. There are a lot of things we could be doing to help farmers deliver better public health. We know from a big programme the Soil Association runs called Food for Life—50% of primary schools in England are now in it, for example—that if children visit farms, that helps change their diets to healthier ones. They eat more five-a-day fruit and veg. There is some encouragement for farm visits under the Countryside Stewardship Scheme. It could be expanded a lot. We could have planning policies that encourage street markets and encourage local sales of fruit and vegetables and other products.

We are very far behind globally on agri-forestry support schemes. A lot of agri-forestry, for example, in France is using nut trees, and now one in the Fens with apple trees, with arable farming in between. Our diet is highly deficient in nuts as a source of protein in this country. We could be using agricultural support to encourage grass-fed livestock: beef, sheep and dairy. The Pasture-Fed Livestock Association is growing but very slowly. Organic does that. We could be giving farmers money to help that transition away from intensive livestock, which is damaging the climate, to a lower meat but healthier meat diet. There are lots of things we could be doing to broaden out what we see as the public interest in agriculture.

Chair: Very many thanks to the panel for answering our questions. That will certainly help us in producing our report. Thank you very much to the Committee, and thanks to the audience as well.