

Groundswell Agriculture Festival, Hitchin

Future of Farming visit note

Date: Thursday 2 July 2026

Location: Groundswell Agriculture Festival, Hitchin, England

Attendees

EFRA Committee

- Mr Alistair Carmichael MP (Chair)
- Sarah Bool MP
- Terry Jermy MP
- Ben Goldsborough MP

Purpose of the visit

As part of its ongoing thematic inquiries into the Future of farming, Land use and nature, and Food supply chain resilience and fairness the Committee visited the Groundswell Agriculture Festival. Groundswell is a two-day event at Lannock Farm in Hitchin, Hertfordshire. It is a leading event for regenerative agriculture in the UK, and hosts around 500 speakers and 10,000 attendees. Whilst at the event, the Committee met with representatives from the Nature Friendly Farming Network (NFFN), the CLA, and Affinity Water.

The purpose of attending the show was to hear from stakeholders about the issues that farmers and land-based businesses are facing, particularly those with greater environmental ambition or more interest in regenerative farming practices.

Meeting with the Nature Friendly Farming Network

The Committee met with representatives from the Nature Friendly Farming Network (NFFN).

The NFFN supported the broad direction of the Roadmap and wants to see a political consensus build behind it. It had two main concerns around the Farming Roadmap. Firstly, it argued that private markets, identified in the Roadmap as a key source of future income, would require a lot of engagement and support from government to bring people into them: carbon markets currently do not attract enough farmers. All future markets will need very robust data behind them. Secondly, they highlighted that the rural economy is considerably bigger than farming alone, and that there are

other measures than just the GDP percentage commonly used. It could consider other value that land can bring, such as timber, tourism and so forth.

The NFFN also stated that there are not enough mechanisms identified for delivering the Roadmap. They have concerns that progress might still be very stop-start, as much agricultural policy has been in recent years.

There was also discussion of Farm Business Tenancies (FBTs) and how they may need to evolve in a changing industry. The existing model for FBTs was centred around area-based payments, rather than the ELMs model.

NFFN raised concerns that the Land Use Framework (LUF) is too top down, and did not engage farming communities enough. They also spoke about the important role farming plays in rural communities, both directly and indirectly. The example of farmers helping with wildfire response was given. However, they added that the LUF could be more explicit about the ideal uses of land and farming resilience advice in the future could provide this kind of guidance. Food security should be part of the conversation, but the NFFN emphasised that nutrient security is often a missing element, particularly in a world of diet pills where nutrient density is becoming more valuable.

The NFFN would like to see more support for mixed farming in the future. Rotational approaches, bringing livestock onto arable land, could offset cattle reductions that are needed elsewhere in the country. They suggested that ruminants can play a key role in a sustainable farming system, in contrast to other types of livestock which rely on imported feed.

Another point raised was that, due to the chronic profitability issue in farming, diversification was functionally subsidising food production, with farms using diversification to keep their businesses viable. The NFFN also raised the SPS agreement, and the potential it has to impact arable farming. It called for a transition period to move away from glyphosate. There was discussion about how the UK needs to communicate better with the EU as part of any future alignment.

Water security was also briefly discussed. The NFFN argued that the country should move away from internal drainage boards to water management boards, ensuring greater focus on the ability to maintain water supplies during periods of hot weather.

The issue of farming subsidies and the different approaches within the UK and in the EU was discussed. The NFFN felt that subsidising food production would store up problems for the future, although it was discussed whether England was at a current

disadvantage due to current arrangements. The NFFN wants the Government to support more with resilience and encourage investment.

The lack of on-farm advice was discussed, as was how access to land agents is key for accessing public funding for SFI, with some farms therefore missing out.

Meeting with Affinity Water

Affinity Water had a stand at Groundswell and is one of the event's main sponsors. They see the event as an opportunity to talk to farmers about inputs and soil management. It is cheaper for the company to tackle these issues at source, rather than in their treatment plants.

They have helped farmers by sponsoring cover crops, planting riparian borders and river restoration work. The Water Framework Directive and resilience goals can help drive this kind of investment into farming, but these initiatives currently have very small budgets, despite their long-term cost effectiveness.

They have issues with the "binary" approach taken by the Environment Agency towards licences. They have failed to get licences for what they believe is useful work to prevent pollution, but the EA does not always grant licences for putting treated water back into watercourses.

They are optimistic about future reforms of the water sector. They believe an integrated regulator will allow for more joined-up decisions about difficult choices that need to be made.

There were conversations about the use of special administration in the water sector and its pros and cons – including the fact that it could be a long process and slow down project investments.

Affinity stated that there is a lot of good environmental investment happening in the sector but that high profile issues are distracting attention from this.

Representatives highlighted other problems with water regulations including the fact that regulators are always asking for efficiencies, comparing business plans between companies in various different circumstances (one focusing heavily on investment, others not) which leads to lower levels of investment overall. Death spirals in the sector are a real problem and they want to see more nuanced approaches to regulation, including more realistic performance commitment standards and the ability to talk to regulators about trade-offs before submitting business plans, so these are a real test of efficiency, not whether the right projects are in business plans. They added that growth and climate change have eaten through headroom in the sector and companies have not been able to make the case for greater investment to regulators to compensate.

They noted that calls for greater public control are provided for by the Independent Water Commission's proposals. However, there is also a need for greater collective responsibility for future water security – water meters are important.

Other techniques for future water security include more closed-loop systems for water management – but it will often be cheaper to abstract from the environment.

Roundtable with the CLA

The Committee held an informal roundtable discussion with members of the CLA, to hear from people on the ground about their experiences as land managers.

Natural England

A major frustration for many of the attendees was the under resourcing of Natural England. Several examples were given of where the land managers had ambition for environmental delivery, and Natural England's input was required (either through the protected sites consent system or through SFI), but it was not possible to meaningfully engage with Natural England because they did not have the resource. The attendees were clear that the issues stemmed from a lack of resource, but that the impacts on their business were significant.

A particular concern was the wait time to get into Higher Tier Countryside Stewardship. Again, attendees had the environmental ambition, and needed the additional income stream the scheme could provide, but were unable to access the scheme because of a lack of resources at Natural England.

The high turnover of Natural England staff was another concern, with several attendees explaining that they were unable to build relationships with staff because they moved on quickly. Some of the roundtable attendees remembered when Natural England, or its predecessor English Nature, had more field staff, and felt the relationships were much better then.

The attendees were concerned that certain Natural England workstreams (particularly Environmental Delivery Plans and work around Nationally Significant Infrastructure Projects) were resource intensive and that this would pull staff away from other areas.

As well as resourcing, some attendees felt that there needed to be more people at Natural England with experience of the practicalities of farming and land management. One attendee said that Natural England was happy to accept evidence from environmental NGOs and use it but would not treat evidence from a farmer in the same way.

Funding

In the meantime, the constantly changing SFI is not offering any long-term certainty: some land managers are removing habitats they created as a result of SFI arrangements coming to an end, because they cannot afford to maintain them, or to forego the income they could gain from food production. This lack of certainty, that the sector had under the EU Common Agricultural Policy, was missed by some. Certainty was prized over simplicity. At the other end of the ELM schemes, some attendees suggested that Landscape Recovery funding could be better directed towards Countryside Stewardship, alongside facilitation funding, to deliver more improvements at scale.

A point made by several attendees was that they felt that low uptake was not sufficient justification to remove actions from the new iteration of SFI. They argued that some of the low uptake actions were low uptake because they could only be used in specific circumstances, but that this did not diminish the environmental benefit that they delivered.

Barriers to Investment

Others highlighted that many food businesses are keen to invest in the UK but it is not attractive at the moment due to the lack of competitiveness in the sector, and taxes, planning issues and a lack of infrastructure.

There was some support for the plans set out in the Farming Roadmap, but attendees felt that a clearer picture is needed of what investment can achieve. There was discussion about how the government could support a dialogue with international investors to make the case for investing in the UK, including food manufacturing. The agricultural attachés might be one option. We need to learn from how other countries do this, such as the Netherlands.

Horticulture

A specific issue raised at the roundtable was around perennial horticulture. One attendee explained that it is a very sustainable and environmentally beneficial practice, but that agro-forestry grants preclude making money from it.

Some mentioned the great potential of horticulture in the UK, highlighting that the Dutch government have really got behind their horticultural sector, leading to a much more successful sector.

Natural Capital Markets

Attendees talked about natural capital markets. There were some specific technical criticisms of how some of the existing markets operated, particularly with regard to data. This included the way the BNG difficulty multiplier works, but there are other challenges with calculations for markets such as those supported by the Peatland Code.

Planning and permitting

Other concerns raised by attendees related to the planning system, particularly in relation to on-farm reservoirs. There were calls for more flexibility to minimise risks and delays and allow more diversification and the building of reservoirs, which can take many years to fill up. The Environment Agency is part of the problem and can be a blocker to some solutions. On other occasions, they can be too vague – for instance, highlighting that abstraction licences will be cut off “sometime” in the future. Their focus has been on flooding and pumping water away, rather than preserving it.

Other planning risks involve the potential for judicial reviews which can cause backlogs, despite only a small number of people behind them sometimes. The Government can also be taken to court which can make it wary about change.

Water

Water security is a real problem for the attendees, with some areas expecting to see major reductions in how much they can abstract in the future. Land adaptation for this will be vital. Some attendees stated that the Treasury needs to see water and nature as critical infrastructure, which could help landowners attract private finance to install it. Accounting rules need to recognise green infrastructure on business accounts, not just grey infrastructure. It was argued that the Treasury needs to value Defra and let them make decisions.

Uplands

There was also discussion about the uplands. It was felt that the relationship here had broken down in recent years. There can be conflicts of interest between NGOs and policymakers, with funding being prioritised to NGOs, when some landowners may be able to perform better. Some attendees questioned whether giving money to NGOs was failing a core principle of “additionality” of public funding for public goods, as NGO landowners would take nature-friendly actions anyway.

Other issues

There was also some discussion of the Groceries Code Adjudicator (GCA) and the need for it to have more power. There was a feeling that the GCA had little power to help farmers.

Some attendees spoke about the increasing burden of regulation in their sectors. While this is helping the sector become more environmentally sustainable than food produced abroad, there is a risk that this could lead to more offshoring of environmental impacts as homegrown produce is more expensive than imported produce. Free Trade Agreements do not factor that in. Perhaps something similar to a carbon-border adjustment mechanism could help ensure a level playing field.

It was also highlighted that diversification brings potentially more resilience but also added complexity to farming businesses. For instance, taxation policy can end up being different on different plots of land, as can rules about national insurance and recruitment. Infrastructure connections can be a major challenge.

When asked whether the environment has unfairly taken precedence over food and farming in Defra, attendees did not entirely agree, but they wanted to ensure that both are considered. There were concerns that national parks and Natural England were driving destocking, which is hurting communities and a way of life.

There was a desire for a rural strategy, which has not existed for 25 years. The rural economy has great potential for economic growth but it's often seen as an urban phenomenon. It is also potentially underrepresented in GDP: food underpins a lot of growth, particularly in manufacturing and some rural businesses are registered in London. Some concerns were expressed about the rural proofing of government policy and the fact that it may come too late in the policy-making process. It was also mentioned that rural areas are more expensive for government to deal with.

Other engagements

CLA Breakfast

The Chair spoke at a CLA breakfast at the start of the day. There was a lot of discussion about the opening of the SFI window for small farms and for those without existing agreement, and how quickly the first portion of the budget had been allocated.

A Landscape Recovery project

A chat was held with a Landscape Recovery Project highlighting the value of farming cluster groups in bringing about environmental gains. They flagged, however, that LR contracts with the Government had the wrong structure, and were too risky.

Panel talk: How much does it cost to become regenerative and how will I fund that

Panellists:

Mr Ben Makowiecki, Agriculture Sustainability Director, Lloyds Banking Group

Ed Horton, Regenerative Agricultural Specialist, Savills

Jeremy Moody, Secretary & Adviser, CAAV (Central Association of Agricultural Valuers)

Minette Batters, Managing Director, Barford Park Ltd

Key points raised

The risk of transition was one of the most asked about elements in Minette Batters' profitability review. The Farming Roadmap offers some solutions, such as private finance and supply chains, but more detail is needed

The Roadmap was welcome and it provides a good direction of travel. However:

- It is not clear how expected standards of sustainability will change
- The role of supply chains could be either good or bad for farmers. Regardless, developing supply chain standards will take time
- Baselining of environment and land is needed

Data is needed to measure resilience. Evidence shows that regenerative farming, and the improved soil health it brings about, can enhance resilience and stabilise production. Data should be fed into supply chains to help show net zero benefits of regen and value that can be captured by all parties, so risk can be shared. If suppliers can see the benefits of more resilient farms, they are more likely to support them.

The term regenerative can be off putting for some, but it is fundamentally about costs, outputs, economics and boosting resilience on farms which many farmers can get behind. If this boost to resilience can be captured in data, it has potential insurance value and can encourage more investment.

To get more supply chains on board with regenerative agriculture, close relationships with supply chain partners are needed, alongside an understanding that all elements of the value chain need to benefit. The public are starting to eat more consciously. Poor food choices are leading to less healthy communities. This change in attitudes can be used to encourage more engagement with regen. Acknowledging the social value and nature-based solutions it brings can also help make the case.

It is very challenging to value natural capital however. GDP certainly does not account for this and the BNG market is of variable quality, undermining the strength of the market.

The removal of subsidies has encouraged farmers to take better control over their options and find their own way to resilience, opening up opportunities. However, more funding for innovation is needed and this will not come from farmers. Could agritech companies pay farmers for trials? Can banks help? All of this comes with risks – this is where some guarantees from Government might help derisk this investment.

Once innovations have been found, knowledge transfer schemes are going to be vital so farmers can get information from those they trust, rather than the big tech companies.