



CAP Consultation
Area 1D, Defra
Nobel House
17 Smith Square
London, SW1P 3JR

Capconsultation@defra.gsi.gov.uk

28 November 2013

Dear Sir / Madam,

Consultation on Implementation of CAP Reform in England

Thank you for the opportunity to comment upon this consultation.

The Institute for Archaeologists

The Institute for Archaeologists (IfA) is a professional body for the study and care of the historic environment. It promotes best practice in archaeology and provides a self-regulatory quality assurance framework for the sector and those it serves.

IfA has over 3,000 members and more than 70 registered practices across the United Kingdom. Its members work in all branches of the discipline: heritage management, planning advice, excavation, finds and environmental study, buildings recording, underwater and aerial archaeology, museums, conservation, survey, research and development, teaching and liaison with the community, industry and the commercial and financial sectors.

Implementation of CAP Reform in England

General

IfA is concerned with Common Agricultural Policy (CAP) insofar as it affects the historic environment. In this regard, notwithstanding the greening and cross compliance provisions of Pillar 1 (which we support), it is the Rural Development Programme and Pillar 2 which deliver by far the most significant benefits for the historic environment.

The Institute strongly supports Government in its view that *'rewarding farmers for the environmental goods they provide is a much better use of taxpayers' money than providing direct subsidy'* (paragraph 6.2, page 54 of the consultation document). Those environmental goods are supplied in part by the historic environment which is a key component of our landscape. This is recognised in the *UK National Ecosystem Assessment Report* (2011) which states:

'Ecosystem cultural services are the environmental settings that give rise to the cultural goods and benefits that people obtain from ecosystems. Over millennia these environmental settings have been co-produced by the constant interactions between humans and nature. They are inscribed with not only natural features, but also the legacies of past and current societies, technologies and cultures.' (page 634)

Agri-environment schemes currently deliver widespread public benefit (both socially and

economically as well as environmentally) through their support for the management and protection of the historic environment. This includes both designated and undesignated heritage assets and wider historic landscapes. Indeed, the vast majority of the historic environment in England is undesignated (approximately 95%) and agri-environment schemes have a crucial role to play in managing and improving it. The suite of agri-environment schemes presently operating in England is regularly held up elsewhere in the United Kingdom as an example of good practice in relation to the historic environment.

IfA's primary concern is to ensure that CAP reform, as implemented in England, continues to provide a robust framework to facilitate the management and protection of the historic environment. Furthermore, any new environmental land management scheme must fully reflect clear recognition that the historic environment is an integral part of the environment and must be managed and protected as such. The Institute's concerns with regard to the development a new environmental land management scheme (NELMS) were voiced earlier this year in a letter to Defra dated 28 July 2013.

Specific Questions

1. Do you support the principle of moving to more equal rates of payment across the three payment regions?

- **Option 1: No change in the current regional distribution**
- **Option 2: Uplift in upland direct payments (with modest reductions to lowland direct payments), or**
- **Another option**

Please comment further if you wish, or explain what other option you favour.

1.1 No comment.

2. Do you support our preferred option that we should apply the minimum level of reduction possible?

2.1 No. On the basis that *[t]he money recovered as a result of these reductions must be transferred to the Rural Development Programme*, IfA would support a higher rate of reduction. The Institute is unable to suggest a precise rate of reduction as this will no doubt require the balancing of a number of competing factors.

If not, what level do you think should be applied?

- **We should apply the minimum level of reduction possible (5% on receipts over €150,000).**
- **We should apply a higher rate of reduction but less than 100% (please explain what reduction you favour).**
- **We should make €150,000 the most any farmer can receive — this is the maximum reduction possible.**

Please comment further if you wish, or explain what other reduction you prefer.

2.2 See paragraph 2.1 above.

3. Do you support our preferred option that we should not implement salary mitigation? Please explain your response.

- **We should not adopt salary mitigation.**
- **We should not adopt salary mitigation, provided that the rate of reductions is applied at the minimum rate of 5%.**
- **Salary mitigation should be allowed.**

Please comment further if you wish.

3.1 No comment.

4. Do you support our preferred option not to implement redistributive payments as an alternative to reductions?

4.1 Yes. See paragraph 2.1 above.

5. Do you support our preferred option not to extend the list of “negative activities” forming part of the active farmer test?

- The negative list should not be extended.
- The negative list should be extended.

Please comment further if you wish, or explain what types of businesses should be added to the list and why.

5.1 No comment.

6. We must set a limit on the number of entitlements that can be claimed under the Young Farmers Scheme which must be between 25 and 90. What do you think should be the ceiling that can be claimed by an applicant to this scheme?

- A limit of 25 entitlements (the lowest limit possible)
- A limit of 54 entitlements (the average farm size in the UK)
- A limit of 90 entitlements (the highest limit possible)
- Another option

Please comment further if you wish, or explain what other limit you prefer.

6.1 No comment.

7. Our preferred option is not to require those seeking to participate in the Young Farmer Scheme to meet additional eligibility criteria. Do you agree?

- We should not add additional criteria
- We should add additional criteria.

Please comment further if you wish, or explain what additional criteria you prefer.

7.1 No comment.

8. Do you have any other comments you would like to make on the issues addressed in this section on the implementation of direct payments?

8.1 The proposed increase in the minimum claim size (from 1 to 5 hectares) is of concern. Such an increase will be likely to remove areas of land containing important heritage assets from the regime (and associated cross compliance requirements). The setting of this threshold would be of even greater concern if it were to apply to NELMS under Pillar 2.

9. The Government is not minded to take up the option to implement greening through a National Certification Scheme containing additional, equivalent measures. Do you agree with this approach or do you see a case for a National Certification Scheme and, if so, on what grounds?

9.1 IfA agrees that greening should be *‘implemented in a way that is achievable and manageable’* (paragraph 3.2, page 29 of the consultation document). If, on balance, a National Certification Scheme would not contribute to that end, we would prefer to see resources applied elsewhere in order to deliver environmental benefits.

10. Do you agree that this approach to the implementation of greening in England strikes the right balance between environmental benefit and administrative cost, in the context of our approach to the CAP Reform package as a whole?

10.1 See paragraph 9.1 above.

11. Making available the full list of proposed Ecological Focus Area (EFA) options would enable the EFA requirement to be met without the need for additional action. However,

individual EFA options may realise differing levels of environmental benefit. Which selection of Ecological Focus Area options do you favour?

11.1 IfA does not object to the full list of EFA land-use types, provided that the options (and, in particular, 'landscape features') are defined broadly enough to include both designated and undesignated heritage assets and allow for the management and protection of the historic environment. Other options, such as 'buffer strips' also have the potential to realise benefits for the historic environment.

12. There is a particular interest to see benefits for pollinators arising from the implementation of greening. Are there any practical Ecological Focus Area options, or enhancements of these options, which could be easily adopted, have a high likelihood of uptake and which would be particularly beneficial for pollinators? Would these options be deliverable within the approach set out in the direct payments Regulation or would they need to be implemented through a National Certification Scheme?

12.1 No comment.

13. Are there any current GAECs that you think should not be carried forward and included from 2015? If so, what are your reasons and evidence for this?

13. No.

14. Are there elements within any GAEC that you think should or could be changed, implemented better, or excluded? If so why?

14.1 New CAP GAEC No.7 (Retention of landscape features) should expressly include heritage assets (as defined in the National Planning Policy Framework to include scheduled monuments, nationally important but undesignated archaeological sites (where known) and other sites/features of historic or archaeological significance). This would extend the current GAEC 7 (scheduled monuments) and thereby improve the management and protection of the historic environment.

15. What lessons can be learned from the current Rural Development Programme? How can we build upon its successes?

15.1 The operation of agri-environment schemes (both Entry Level and Higher Level Environmental Stewardship) has greatly benefited the historic environment and multi-objective delivery has facilitated a holistic approach to the management and protection of the environment. We can build upon those successes by continuing to recognise the historic environment, not only as an integral part of the environment, but also as a key contributor to social and economic objectives (for instance, through the promotion of well-being, tourism and regeneration). As such, this primary role must be recognised in any future Rural Development Programme and reflected in the next generation of agri-environment schemes.

16. Are there any key areas we have missed in our assessment of need to support the new Rural Development Programme? Are there any further sources of evidence of social, economic and environmental need in rural areas for England that have not been captured?

16.1 IfA welcomes the recognition in Annex C of the consultation document of the importance of the historic environment in environmental, social and economic terms (see, for example, the last paragraph of page 95). However, the Institute is concerned to see that that recognition is fully reflected in the implementation of CAP reforms in England.

17. Are the areas we outline for support under the new Rural Development Programme set out above the right ones?

17.1 Only if the priority relating to the environment under the second bullet point of paragraph 5.18 of the consultation document is revised to embrace the '*natural and historic environment*' [my underlining].

18. How we can best target investment under the new Rural Development Programme to help gain the maximum value for money for UK taxpayers?

18.1 Investment in the historic environment will deliver environmental, social and economic benefits, maximising value for money for taxpayers (see, for instance, <http://www.english-heritage.org.uk/professional/research/social-and-economic-research/value-of-historic-environment/economic-value/>).

19. How might we make the process for applying for Rural Development funding simpler or less bureaucratic?

19.1 No comment.

20. How might this be balanced against the need to ensure clear accountability for public funds?

20.1 No comment.

21. What are your views on the structure of the proposed new environmental land management scheme, in particular the new “landscape scale” approach?

21.1 IfA welcomes *‘the new “landscape scale” approach’* in principle, but is concerned to see that the management and protection of the historic environment is fully integrated into that approach in practice. Similarly, the *‘ecosystem approach’* endorsed at paragraph 5.25 of the consultation document must fully embrace the historic environment. (See the *UK National Ecosystem Assessment Report* (2011) quoted above.)

22. Do you agree that we should not be prescriptive about how groups of farmers or land managers could be brought together to deliver landscape scale agreements under the proposed new environmental land management scheme?

22.1 Although this is desirable in principle, in practice this may be counter-productive when limited resources are available.

23. How could we help facilitate landscape-scale approaches under the proposed new environmental land management scheme?

23.1 With regard to the historic environment, by engaging with English Heritage and local authority historic environment staff throughout the process.

24. Should we offer a capital only grant as part of the proposed new environmental land management scheme?

24.1 Yes. This would allow repairs and other works in relation to heritage assets where not covered by other funding.

25. Do you agree with the principle that five year agreements should be the norm under the new environmental land management scheme?

25.1 Not in respect of archaeological sites where longer term management is generally desirable and ten year terms may be more appropriate.

26. What approach should we take to targeting the new environmental land management scheme?

26.1 With regard to the historic environment, IfA would favour *‘identifying the areas of greatest opportunity to deliver the desired priorities and outcomes’* provided (1) that this included *‘priorities and outcomes’* for the historic environment and (2) that such identification was informed by the

advice of English Heritage, local authority historic environment staff and other expert practitioners.

27. With the exception of the highest priority sites, is there a case for making advice and guidance available increasingly on line or through third parties under the new environmental land management scheme?

27.1 Yes. Increased accessibility to advice and guidance is to be welcomed.

28. Where should we set the scheme entry requirements (ie above the legal baseline) for the proposed new environmental land management scheme?

28.1 Over and above the requirements for cross compliance.

29. Have we identified the right areas of support under the new Rural Development Programme to help improve the competitiveness and efficiency of the farming, forestry and other land-based sectors? Are there any other areas which could be supported?

29.1 No comment.

30. What activities to support the farming, forestry and other land-based sectors under the new Rural Development Programme would provide the best value for money for the UK taxpayer?

30.1 No comment.

31. How should we support advice and skills for the farming, forestry and land-based sectors under the new Rural Development Programme?

31.1 No comment.

32. How can we ensure any advice provided to the farming, forestry and other land based sectors and through the new environmental land management scheme is integrated and linked with advice provided within the industry in the light of the Review of Advice and Partnership Approaches?

32.1 No comment.

33. How do we ensure innovation is considered across the breadth of the new Rural Development Programme?

33.1 No comment.

34. How could we develop proposals for an England specific European Innovation Partnership to support this?

34.1 No comment.

35. How can we strengthen LEADER's contribution to delivering jobs and growth in rural areas?

35.1 By continuing to recognise that investment locally in areas such as the historic environment produces a wide range of benefits including economic ones (see paragraph 15.1 above).

36. How can we make the LEADER approach more effective and deliver better value for money?

36.1 No comment.

37. What role could loans or other financial instruments play in delivering the Rural

Development Programme?

37.1 No comment.

38. Should we transfer funding from Pillar 1 to Pillar 2?

38.1 Yes. IfA agrees that *'rewarding farmers for the environmental goods they provide is a much better use of taxpayers' money than providing direct subsidy'* (paragraph 6.2, page 54 of the consultation document).

39. If so, should we transfer the maximum 15% or less?

39.1 The maximum 15% for the above reason.

40. If less, what should the Rural Development Programme fund less as a result?

- **Environmental land management**
- **Rural economic growth**
- **Farming and forestry competitiveness and productivity**
- **Other, please specify**

40.1 Not applicable.

41. What priorities should we spend RDP funding on?

41.1 One of the priorities for RDP funding should be the historic environment, much of which is vulnerable to loss, damage and degradation. Not only would spending in this area help to address such threats, but it would also deliver multiple benefits as outlined above.

42. What proportion of RDP spend should we apply to:

- **Environment — agri-environment and forestry**
- **Farming competitiveness and forestry productivity**
- **Growth Programme**
- **LEADER**

Please explain your reasoning.

42.1 Of the 4 scenarios at pages 59-60 of the consultation document, the obvious choice in the light of the answer to question 41 above is *'increased focus on environmental outcomes'* (increasing the proportion of funding for environmental outcomes to about 88%). However, given the emphasis on multi-objective delivery, the last 3 scenarios are not necessarily mutually exclusive. Nevertheless, IfA would not wish to see any reduction in the current level of funding for environmental outcomes (83%).

43. Do you agree that we should not introduce a requirement for written contracts between producers and processors/distributors at this stage?

43.1 No comment.

44. Do you agree that we should not make it possible for producer organisations and inter-branch organisations to be formally recognised in additional sectors of agriculture?

44.1 No comment.

45. Do you have any comments on this approach or any of these assumptions?

45.1 No comment.

46. Do respondents agree with the main conclusions of the analysis in the CAP reform evidence paper and in the RDPE Impact Assessment?

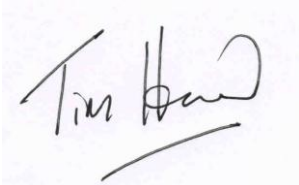
Are there any important impacts of the CAP implementation package that have been overlooked?

Are there any key inputs or assumptions where better evidence is available?

46.1 Impacts upon the environment (and, in particular, upon the historic environment) are addressed in the RDPE Impact Assessment. However, IfA remains concerned that the full extent of impact upon heritage assets (both designated and undesignated) will not be recognised in the CAP implementation package.

IfA and its members would welcome the opportunity to work with Defra and other stakeholders further to develop the mechanisms to implement CAP reform in England. In the meantime, if there is anything further that I can do to assist please do not hesitate to contact me.

Yours faithfully,

A handwritten signature in black ink that reads "Tim Howard". The signature is written in a cursive style with a horizontal line underneath the name.

Tim Howard LLB, Dip Prof Arch
Policy Advisor