

CAIRNGORMS NATIONAL PARK AUTHORITY

FOR DECISION

**Title: DELIVERING OUR VISION FOR SCOTTISH AGRICULTURE
– PROPOSALS FOR A NEW AGRICULTURE BILL**

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CHANGE**

Summary

Scottish Government is consulting on the future direction of agriculture (and aspects of wider rural development) in Scotland. The consultation now closes on 5th December.

Recommendation

The Board is asked to:

- a) **Approve the Park Authority response to the Delivering our vision for Scottish agriculture – Proposals for a new Agriculture Bill consultation.**

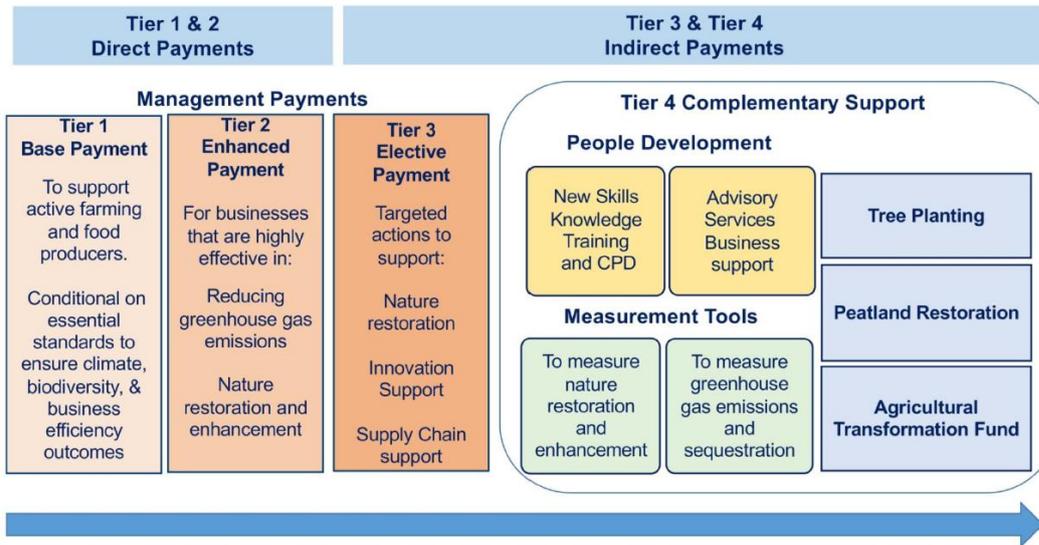
Introduction

1. The Scottish Government's [Vision for Agriculture](#), published in March 2022, outlines the long term vision for farming and food production in Scotland. This consultation seeks views on the mechanisms and powers required to enable an adaptive and flexible approach to delivering the Vision. The proposed approach is intended to be able to respond to future challenges and uncertainties, allowing for tailored provisions and targeted, specific support to be implemented through secondary legislation potentially adapted as and when required.
2. Recent events such as EU-exit, the COVID-19 pandemic and the illegal invasion of Ukraine have highlighted impacts on food security and the need to meet more of our food needs sustainably. While dealing with the short-term challenges, the proposals in the new Bill also address the long-term and the action needed now to tackle the climate and biodiversity crises and reaching net zero by 2045.
3. At a time when it is widely recognised land management will change to tackle the twin crises, the proposed framework highlights the importance of supporting communities to ensure a [fair and just transition](#) through skills and knowledge transfer, innovation and advances in technology, improving business resilience, and wider rural development.
4. The consultation, '[Delivering our Vision for Scottish Agriculture – Proposals for a new Agriculture Bill](#)', was launched on 29th August 2022 and closes on 21st November 2022.

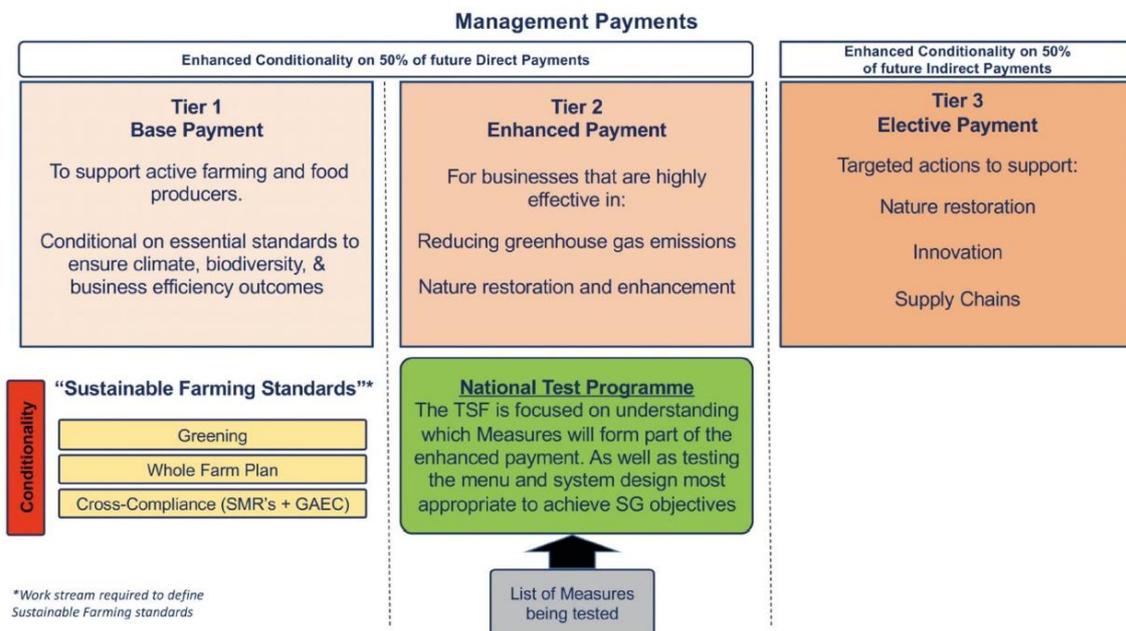
Future payments framework

5. The proposed framework is structured around 4 tiers: a basic level direct payment; an enhanced level direct payment for businesses that are highly effective in reducing greenhouse gas emissions and nature restoration; an elective payment to support targeted, location specific actions; and complementary support for e.g., advisory services, skills development, and monitoring.

Vision of Agriculture Support Package Beyond 2025



6. It is proposed there is enhanced conditionality on 50% of future payments, based on meeting climate, biodiversity, and business efficiency outcomes. Tiers 1 and 2 are proposed to be non-competitive, open to all who meet the eligibility criteria. Tiers 3 and 4 would have both non-competitive and focussed, competitive elements. Details of tier requirements will be described in the secondary legislation and overarching, enabling powers in the Bill will allow for modification as needed.



Delivery of outcomes

7. The key outcomes for support, derived from responses to the recent Agriculture Transition consultation, are:
 - high quality food production;
 - climate mitigation and adaptation;
 - nature restoration; and
 - wider rural development.

8. Many of the current controls on food quality are of EU origin. The Bill proposes giving Scottish Ministers the power to amend retained EU law, to continue and adjust current support schemes and give new powers to enable payments and grants. It is proposed that the Bill enables payments that support, and are conditional on, the delivery of climate mitigation and adaptation, nature recovery and integrated landscape scale management, such as peatland and woodland outcomes on agricultural holdings.

9. Regarding wider rural development, the Bill proposes legislation that allows for the continuation of current support for economic activity related to land management, community-led local development and innovation and knowledge sharing.

Skills, Knowledge Transfer and Innovation

10. Recognising the work of existing schemes such as the Farm Advisory Service, Monitor Farms Programme and the Knowledge Transfer and Innovation Fund, proposals are to be able to continue with providing full support and to establish the powers necessary to create a national, and possibly regional, reserves to avoid distortions of the market and competition.

Administration, Control and Transparency of Framework Data

11. The Bill proposes establishing the powers necessary to set up an annual or multi-annual budget and an Integrated Administration and Control System (IACS). The system would allow for collecting and using data to monitor, evaluate and gain assurance regarding conditionality standards, cross compliance, delivery of targeted outcomes and ensure proper handling of public funds.

Agricultural Tenancies and Agricultural Wages

12. Some clauses in the current legislation are considered to be a potential barrier to delivering the four outcomes. Currently, a tenant farmer requires their landlord's agreement before they undertake diversification activities on their agricultural holding. The rules of good husbandry and good estate management applying to tenant farmers and their landlords have not been updated since they were defined in the Agricultural Holdings (Scotland) Act 1948, whilst some tenants and landlords have amended leases, proposed changes would ensure that all can do so. To enable tenant farmers to adapt and diversify management to meet climate, biodiversity, and food security objectives it is proposed that Scottish Ministers have the power to amend legislation. It is also proposed that Fair Work conditions, including the real living wage are applied to all agricultural workers.

CNPA response to Agriculture Bill Consultation

CNPA welcomes the opportunity to comment at initial stage and, acknowledging that land managers will need the details soon in order to plan ahead.

1. Do you agree with a mechanism to enable payments to be made under a 4 tiered approach?

Yes. CNPA agrees with the 4 tiered approach and supports the proposed outcomes for which each tier is intended to deliver relating to base level, enhanced level, elective and complementary support payments. CNPA is supportive of enhanced conditionality around the key outcomes and would strongly welcome consideration of how Tiers 3 and 4 can be closely aligned with objectives in the National Park Partnership Plan as the expression of government policy and community-led priorities in the area, ensuring land managers in the Park are given extra support for delivering local priorities.

2. Do you agree that a 'Whole Farm Plan' should be used as eligibility criteria for the 'Base Level Direct payment' in addition to cross compliance regulations and greening measures?

Yes. The Park Authority welcomes this approach and recognises there are similarities with the proposal for Land Management Plans as per the Land Reform Bill consultation. There are opportunities for read-across with other current legislative drafting taking place around land management.

3. Do you agree that the new agriculture Bill should include mechanisms to enable the payments framework to be adaptable and flexible over time depending on emerging best practice, improvements in technology and scientific evidence on climate impacts? Do you agree that the new Agriculture Bill should include mechanisms to enable payments to support the agricultural industry when there are exceptional or unforeseen circumstances or a major crises affecting agricultural production or distribution?

Yes. CNPA supports the development of an adaptable and flexible framework to meet changing circumstances and provide additional support in scenarios such as rapidly escalating costs. Flexibility might also be considered to support varying degrees of regional prioritisations of the four outcomes to meet particular circumstances and alignment with regional priorities.

4. Do you agree with proposals that would enable future payments that are conditional on, and support delivery of, climate change mitigation and adaptation objectives and support integrated land management such as peatland and woodland outcomes on farms and crofts? Do you have any view on specific powers and/or mechanisms that could support such alignment?

Yes. CNPA is in agreement with including powers and mechanisms that allow future payments to support emissions reductions in line with national climate objectives and targets. The climate and nature crisis is the single biggest challenge that we face and it is

critical that the Cairngorms National Park, as the largest protected area in the UK, is an exemplar in achieving net zero, developing nature based solutions and helping Scotland as a whole meet its targets. The National Park Partnership Plan outlines the collective ambition and action in the Park, aligning rural payments with the National Park Partnership Plan would directly support delivery of regional climate mitigation and adaptation priorities.

5. Do you agree with proposals that would enable future payments that are conditional on, and support delivery of, nature protection and restoration? Do you believe the new Agriculture Bill should include a mechanism to enable catchment scale payments to support nature maintenance and restoration?

Yes. CNPA welcomes the recognition of the role that land managers play in protecting and restoring biodiversity, supporting clean and healthy air, water and soils, contribute to reducing flood risk locally and downstream and create thriving, resilient nature. There is merit in aligning rural payments with the delivery of the Scottish Biodiversity Strategy and the statutory targets to be defined in the Natural Environment Bill.

Catchment Management Partnerships have proven extremely successful in the National Park at delivering landscape scale restoration and CNPA strongly endorses support for these and other landscape scale initiatives.

6. Do you agree the new Agriculture Bill should include powers and mechanisms that allow for giving powers to make changes to rules related to food, continue to provide support re food, give powers to support the agri-food sector, and give reserve powers to support the sector?

Yes. CNPA recognises that high quality food production holds an important place in the culture and economy of the National Park and is keen to see support in ways that promotes food security and the role the National Park can play in achieving Scottish Government's ambition to become a Good Food Nation.

7. Do you agree that the proposals for Wider Rural Development should be included in the new Agriculture Bill?

Yes. Prior to leaving the UK, the LEADER process and associated funding was a key method and means of supporting rural and island communities; enabling those communities to take forward their own solutions to their own often specific issues and priorities for action; and supporting knowledge exchange and capacity building between and within those fragile communities. It is essential as the conduit of rural development that the Agriculture Bill continues to recognise these key Community Led Local Development priorities as significantly linked to the evolution of wider agriculture and rural policy in Scotland and makes provision for action and funding of these areas of activity.

8. Are there other areas relating to non-agricultural land management such as forestry that you would like considered for support under the Agriculture Bill to help deliver integrated land management and the products produced from it?

Yes. The role in support of micro and small rural business; the linkage of such businesses to their communities particularly within rural and island communities; and the potential support for diversification of agriculture businesses have all been central and effective features of previous CLLD approaches and do not appear well covered in this consultation document. There is merit in a specific focus for support of micro and small business development within rural communities being included for support within the “Wider Rural Development” element of the Agriculture Bill.

The National Park Partnership Plan sets out ambitious targets for increasing the amount of woodland in the National Park to deliver biodiversity benefits, capture and store carbon dioxide, provide a sustainable source of timber, improve water quality and help reduce the risk of flooding. There is a need to ensure an integrated approach between woodland support and wider support for agriculture. Some of the barriers between different land uses need to be taken down rather than reinforced through subsidy regimes.

There is a need to consider deer management as a potential area to fund in the future. At present funding for deer management is associated with other activities e.g. forestry and there is merit in looking at it in its own right. The link to other herbivore impacts needs to be considered and a more rounded approach to land management taken than just looking at agriculture.

9. What other powers may be required to enable rural development in Scotland’s rural and island communities?

As per above, activity in and financial support for micro and small business start-up and development which supports wider rural development priorities is also required as a power to support an effective approach to supporting thriving rural and island communities.

A key power or enabling mechanism that merits specific mention is that the support of rural development through **multi-annual** rural development programmes as characterised in this document as a standard EU approach remains vital. Effective CLLD and rural development typically has a long lead time from development of ideas and solutions; to design of action; securing capacity and funding packages often from multiple sources. Security of community motivation and action from availability of support over multiple financial years is essential to support this activity.

10. What potential social, economic or other impacts, either positive or negative, would such powers have on Scotland’s rural and island communities?

The approach outlined in this consultation, and we believe augmented by our further requirements set out in this response, are essential to providing a core support for thriving rural and island communities across Scotland. A strong, well-funded, multi-annual rural development programme is essential as the developmental safety net for rural communities that LEADER was first established to provide and is still required today if we are to ensure the unique circumstances of rural and island communities are not ignored by national programmes however well meaning and thought out. The delivery of a rural development programme will ensure the Scottish Government’s National Outcome for Communities: that we live in communities that are inclusive, empowered, resilient and safe can be achieved throughout Scotland, including our various remote rural and island communities. The

programme would also have multiple benefits across other National Outcomes, particularly around Fair Work and Business, Health and Environment.

11. Do you agree that support should continue to be provided in the area of Skills, Knowledge Transfer and Innovation?

Yes. National Parks are highly regarded as places of innovation and leadership, where the future of a changing rural economy can be supported and showcased. It is important that future transitional support is influenced by and therefore suitable for specific, local needs.

12. Do you agree that Scottish Ministers should have a power to be able to determine what is an acceptable diversification? Do you agree that Scottish Ministers should be able to amend the rules of good husbandry and estate management?

Yes. Much of the agricultural land in the National Park is tenanted. To enable change and support tenant farmers in delivering nature, climate, food production and socio-economic outcomes it is important that clauses regarding diversification, good husbandry and estate management are fit for purpose.