The Agriculture Bill: Ensuring it works for both the historic and natural environments



30 January 2020

Key points:

- The 25-Year Environment Plan and the Agriculture Bill are if followed through a whole new start for the rural historic environment and heritage. For the first time, they approach the natural and historic environments on an equal footing, and the Agriculture Bill funds cultural heritage on the same basis as all other environmental public goods.
- This change is very overdue. For example, we have lost half our traditional farm buildings; hundreds of thousands more are in decay; and almost half of scheduled ancient monuments are under threat[1]. Past approaches have barely touched these problems. In theory heritage was a funding priority, but in practice it was a very low priority because it was outside the competence of the EU and not covered by EU Directives. It is currently just <u>14 of one per cent</u> of £2.1bn total CAP funding (England). As the 25-Year Environment Plan says, "our failure to understand the full value of... the environment and cultural heritage has seen us make poor choices. We can change that..."
- The 25-Year Environment Plan and the Agriculture Bill if followed through would change that. The Agriculture Bill's approach, directing payments towards public goods specifically including heritage, has the potential to be transformative. We therefore welcome the Agriculture Bill.
- The Environment Bill introduced today, in contrast, does <u>not</u> follow this through. It fails to pick up the 25-Year Plan's lead. It almost certainly excludes heritage from the Bill's definition of 'environment' and from the annual reporting requirements of both the Secretary of State and the Office for Environmental Protection, making it likely that heritage would be as disregarded as it was under the CAP. The Heritage Alliance will be updating its separate briefing on the Environment Bill ahead of that Bill's Second reading.

The 25-Year Environment Plan aims to make our generation "the first to leave our environment in a better state than we found it". That challenge is as great for heritage as it is for the rest of

the environment. To meet it, we have asked Government to work with us and other stakeholders:

- 1. As the Bill proposes, to phase out per-hectare support and transfer the funding to public goods. The main public good is environmental enhancement, and the new Environmental Land Management System should "incentivise land managers to restore and improve our natural capital and rural heritage".
- 2. To fund public goods valued by the public, with the historic and natural environments on an equal footing, in the trials and pilots from 2020 onwards.
- 3. The new Agriculture Act or Environment Act must maintain and update the 1986 Act, obliging the Secretary of State to give heritage the same status in funding and other decision-taking as the natural environment, the social and economic interests of rural communities, and public enjoyment of the countryside[2]. The new Office for Environmental Protection should have to hold governments to those objectives.

As the 25-Year Plan says, Government now should "work closely with a large range of stakeholders... to identify their contribution to the goals set out in this Plan". **The Heritage Alliance and our members are already involved in helping to achieve those goals**.

Despite its small scale, heritage agri-environment funding – where available – has been effective:

- It has been popular, both with land managers and with the public (who are paying for it).
- It has put 14,000 buildings into repair, and removed over 1000 scheduled monuments from the heritage at risk register. But this is only a very small part of what is at risk.

The Heritage Alliance and rural heritage

The Heritage Alliance is England's largest coalition of independent heritage interests. We unite over 140 organisations which together have over 7 million members, volunteers, trustees and staff. Most of England's historic environment (including more than half of rural England) is owned, managed or cared for by Heritage Alliance members. The Alliance is represented on DEFRA's Rural Development Programme Monitoring Committee, Environmental Land Management Engagement Group, and The Stakeholder Group for the Environment Bill. The Heritage Alliance's specialist Rural Heritage Advocacy Group has written this paper.

Why our rural heritage matters

A key part of our countryside is our rural heritage of traditional farm buildings, villages, field boundaries, ancient monuments, woods, and parkland. These are important in their own right, and they deliver substantial benefits for rural communities: they underpin the beauty, diversity and sense of place which attracts inward investment, are a key driver of the £19bn rural tourism industry, and their conservation creates skilled employment, often in areas where jobs are scarce.

"Heritage is the glue which binds together our Brand Britain"

As former DEFRA Secretary of State Michael Gove says, heritage is not just vital to our natural and cultural capital: it helps to hold us together as a nation, heritage skills and soft power help market Britain abroad, and heritage will help to rebalance the post-Brexit economy away from London.

The current Secretary of State Theresa Villiers similarly describes public goods funding for heritage as "important". In a recent <u>Parliamentary Question</u> she responded: "My hon. Friend will be pleased to hear that clause 1 of the Agriculture Bill, which Parliament will have the chance to consider very soon, does recognise the importance of access to the countryside, and to our culture and heritage, by listing that as one of the public goods that we can potentially support through our new farm support scheme. He makes an important point."

Rural heritage is under continuing and growing threat

Unfortunately, our rural heritage is disappearing day by day. The changing economics of farming has made traditional farm buildings functionally redundant: half of them have already been lost (a rate of 15 each day). Most of the remainder – hundreds of thousands – are in decay. The same pressures have already wiped out many other historic features – hedgerows, monuments, parkland, water meadows, and historic field systems. Almost half of even the most important rural archaeology – scheduled monuments – is threatened by burrowing animals, cultivation, or scrub growth.

Past approaches (though effective where applied) have been on a tiny scale

What remains of our rural heritage has been eligible for CAP funding, at least in principle. Where money has been spent, it has been effective, and popular (see below). But most CAP funding has been crude per-hectare payments ('Pillar 1'), and artificial EU boundaries – heritage's exclusion from EU Directives – have treated it separately from the wider environment in which it sits, excluding it from integrated approaches to land management. Nearly all environmental funding goes to habitats, species, and water, to meet EU targets. Spend on heritage has been tiny, and under Countryside Stewardship has fallen to about £8m pa including restoration of traditional farm buildings, **about** ¼ of one per cent of total CAP funding (England) of £2.1bn pa. As the Plan says, "In the past, our failure to understand the full value of the benefits

offered by the environment and cultural heritage has seen us make poor choices. We can change that..."

The future: the 25-Year Environment Plan and the Agriculture Bill

The Plan promises to change that. It sees the UK leaving the EU as "a once-in-a-lifetime chance to reform... how we care for our land". We agree. It says that, after a transition, future payment should be "for public goods". We agree. It says that the principal public good will be environmental enhancement, via a new environmental land management system. We agree. It adds that the aim of this new system will be to "incentivise and reward land managers to restore and improve our natural capital and rural heritage". We – like most other stakeholders – agree. We need to phase out per-hectare farm support, and instead pay farmers and other land managers to provide the range of key environmental public goods, including heritage, which we all value but which the market would not otherwise provide.

Our historic environment and landscapes are crucial 'public goods' because:

1. Heritage is an integral part of our rural environment

The European Landscape Convention requires landscape to be "integrated into ... planning, ... cultural, environmental, agricultural, social and economic policies". Our natural and historic environments are inseparable: both are all around us, not just in big tourist draws like the Lake District World Heritage Site, but across England.

2. Even more rural heritage will be lost if we don't find funding for it

Most of our rural heritage is subject to 'market failure': it does not provide the flow of income needed to keep it maintained. It is therefore in decay. Some farm buildings can be converted to new uses, but many are unsuitable or non-viable or consent cannot be obtained. And most other features – like monuments and stone walls – obviously are hard to put to any substantive economic use. Little other funding is available. As DEFRA's Health and Harmony consultation says, heritage "is a non-renewable resource which, once lost, cannot be recreated"[3]. For much rural heritage, funding as a public good is its only chance of long-term survival.

We also need to ensure that the Government's promised review of marine targets and indicators encompass the whole marine environment including cultural heritage: seas are an integral part of our history, and coastal tourism and recreation, with a wealth of historic and archaeological sites.

3. Payments for heritage public goods, where available, have been effective

Despite heritage's tiny proportion of overall CAP funding, there is a widespread view, evidenced in Natural England's reviews of effectiveness, that this has been effective compared to other agrienvironment scheme objectives ("There is robust evidence that the schemes made a significant contribution to the protection of historic features...")[4]. Even the limited funding of the past has for example removed 820 scheduled monuments from the Heritage at Risk Register, and prevented thousands more being added.

We need to secure this, and build new pilot schemes on it. In the delivery pilots, proper integration of the historic and natural environments, and innovation, will be important for effective delivery. The proposed Office for Environmental Protection should have to hold governments to those objectives, and consult Historic England. Two decades of evidence show what works effectively, and the historic environment sector can provide methodologies for targeting, monitoring, and evaluation as robust as those provided by the natural environment sector. To ensure that funding for public goods goes to those who deliver them most effectively, it should of course (as is proposed) be open to all land managers, not limited to some artificial concept of 'active farmers'.

Work has been done on **the potential scale of future need**: in particular, *Assessing the costs of Environmental Land Management* (RSPB, National Trust, Wildlife Trusts, 2017) identifies a need for a public goods spend on stone walls and archaeological features of some £210m pa, as part of a total environmental spend of £2,188m pa (UK), about 10 per cent of the total. That does not include other historic environment needs, especially the need to repair traditional farm buildings.

4. Heritage is popular with the public

Paying for public goods is (by definition) easier to justify when it is spent on things the public want it to be spent on. In a YouGov survey in 2016, 57% of respondents felt British farming subsidies should put more or the same emphasis on environmental protection as current EU subsidies. Heritage is visible to the public, and loved: 95% of all adults agree it is important to them that heritage buildings and places are well looked after[5]. More specifically, although there has been little research into public views on where CAP money should be spent, what there is suggests that **heritage is a high priority for those who are paying**: the Uplands survey carried out for DEFRA in 2006 suggested that cultural heritage is something that is highly valued[6].

5. Land managers want to look after rural heritage

Heritage is popular not just with the public, but with applicants. Even though heritage options are among the most demanding for the applicant, **they have been fully- or over-subscribed** in past agri-environment schemes. And although the current Countryside Stewardship scheme has further demoted heritage as a priority, the 2018-20 traditional farm buildings restoration scheme has been massively over-subscribed.

6. It achieves many other public objectives

Heritage contributes more to the economy than agriculture[7]. Re-using farm buildings creates new homes, and houses new or expanding businesses. Looking after heritage creates rural

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employment, and skills development, with multiplier effects in fragile low-wage local economies ("it helps to support local employment in areas... where alternative rural employment opportunities are limited"). Heritage and landscapes are also a major driver of the £17bn rural tourism industry, and closely integrated with it: many farms are tourism businesses too. There is real scope to expand this, creating jobs, and rebalancing the post-Brexit economy away from London.

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The Heritage Alliance is England's coalition of independent heritage interests. We unite more than 140 organisations which together have over seven million members, volunteers, trustees and staff. We sit, alongside DEFRA, on the <u>Government's Heritage Council</u>. Members of our Rural Heritage Advocacy Group include, amongst others: The National Trust, Historic Houses, Country Land & Business Association, English Heritage, Chartered Institute for Archaeologists, Council for British Archaeology, Inland Waterways, Ancient Monument Society, Canal and River Trust, The Gardens Trust, The Historic Religious Buildings Alliance, RESCUE, Campaign to Protect Rural England, Wessex Archaeology, Association of Local Government Archaeological Officers and various academic institutions. Most of England's historic environment (including more than half of rural England) is owned, managed or cared for by Heritage Alliance members. The Alliance is represented on DEFRA's Rural Development Programme Monitoring Committee, Environmental Land Management Engagement Group, and The Stakeholder Group for the Environment Bill. The Heritage Alliance's specialist Rural Heritage Advocacy Group has written this paper.

[1] Almost half of scheduled monuments are threatened by burrowing, cultivation, or scrub (Historic England, 2017)

- [2] Agriculture Act 1986, Clauses 17 and 18
- [3] Health and Harmony, Evidence Compendium, p55 (February 2018)
- [4] Agri-Environment Schemes in England: a review of effectiveness, Natural England (2009)
- [5] DCMS Statistical Handbook (September 2016)

[6] Economic Valuation of Environmental Impacts in Severely Disadvantaged Areas, EFTEC for DEFRA (2006)

[7] Comparative Gross Value Added figures for England were £11.9bn GVA for heritage and £8.6bn for agriculture, forestry, and fishing. Direct employment was 169,700 in heritage and 153,400 for agriculture, forestry, and fishing.

Historic England (2014). The value of the heritage sector to the economy continues to grow with new figures from <u>Heritage Counts (2019</u>) demonstrating that heritage is now worth £31bn GVA to economy and direct employment is 464,000 in the heritage sector.