ResULTS project: cases study G

Telephone interview with upland environmental stakeholder, conducted 9th December 2018

Interviewer: I

Respondent: R

[Transcription begins]

I: My first question is, tell me a bit about yourself, your involvement in this organisation, and any connections with upland areas, beef and sheep sector.

R: So I have been working in [organisation 1] for just over 11 years now, predominantly during that time in the field of common agricultural policy development, more recently with a focus on the domestic agricultural policy agenda following the 2016 EU referendum result. My time in [organisation 1] was split around a three-year secondment to the European Parliament, where I worked as a seconded national expert during the last round of CAP reform negotiations. So a lot of what I have been doing has been quite policy applied work, advising either government departments or parliamentarians during that time. And indeed, my experience prior to working in [organisation1] was in the UK domestic parliament during a full-year stint as a specialist advisor to the Environment, Food and Rural Affairs Committee in the House of Commons. Before that, I started my career working on, again, applied agricultural policy research projects in academia at [University R].

In terms of my experience with uplands and the meat industry, I must confess that that is very limited. My practical background and experience is very much lowland, arable farming systems. I was born and brought up on a small family arable farm on the edge of the Fens, just north of Peterborough, which has wholly arable rotation. My practical interaction with livestock is limited to my father in the early period of my life having a few beef cattle to fatten up over the winter in one of our [inaudible]. I haven't had too much sector-specific policy experience in terms of a focus on the issues and challenges specific to the livestock sector.

I: Okay, I understand. Because of your background, we’re going to discuss a few things about policy, but I wonder in [organisation 1] is there someone else who is pretty much working on the livestock side or the upland areas?

R: We have an uplands specialist, yes, who looks after that. Her name is [person 1], and it would be to her that I would tend to defer or seek guidance if I came up against…

I: So the name again is [person 1]?

R: [person 1].

I: [person 1]. Okay. I might need to have a separate interview with her, if it’s okay, but obviously because of your experience of the policy and all the forthcoming changes in the policy area, definitely we have a lot of things to discuss together. So if any questions of the following you feel that you probably will leave it for [person 1], then we can skip it and go…because obviously a few of the questions are directly related with upland areas. So the next question is what are the special features particular to upland areas that should be maintained in your view? And this is quite a general question, what would you like to see in 20, 30 years, for example?

R: So prime amongst those in my personal opinion would be the biodiversity benefits that come in certain areas from the livestock grazing and perhaps beef cattle grazing in preference to sheep grazing, although a mix of grazing can I understand be beneficial in certain contexts.

I: I understand.

R: And some of the other positive aspects that I know our organisation is particularly keen to promote involve some natural flood irrigation objectives, other water quality objectives, some sequestration objectives, and I think those would be much higher on my list for maintaining into the future than some of the economic which are attached and highlighted as priorities for other interest groups. My take, and this is more an English perspective than necessarily a UK-wide, there are a few areas in England that are sufficiently remote even in the uplands that can’t benefit from off-farm alternative income sources, for example, the spouse going out to gain some off-farm revenue, such that you would need an agricultural or environmental policy to pursue as a primary objective those sorts of socioeconomic angles.

I’m also more sceptical around some of the landscape objectives that are prioritised highly by others. I would be open to much more…woodlands, the right type of increase in trees than is currently seen, so I certainly wouldn’t want to be advocating the uplands being [inaudible] or have a sort of sheep-driven culture and the maintenance of that, as something that I would look to, to maintain 30 years hence. I’m rather looking forward to the opportunities that the post-Brexit agricultural policy might provide for quite significant changes in the way that our uplands might look.

I: May I ask you something? When you said sceptical of land management objectives, if I understood correctly, you would like to see probably fewer forests and more sheep managed areas…

R: The opposite.

I: Ah, the opposite? Okay.

R: Fewer sheep, more trees.

I: More trees and less sheep, okay. Just to make clear because the problem is that I hear you but sometimes the line is…it’s quite difficult and I need sometimes to come back and make sure that I have captured.

R: Sure.

I: Okay. The other thing I would like to ask you is can you tell me a bit about [organisation 1]. I think I need a bit of background. What is the role of this organisation?

R: [section deleted to maintain anonymity]

I: Okay, the Rural Payment Agency is an agency that belongs to Defra or is independent?

R: No, it’s a Defra agency.

I: It’s a Defra agency, okay.

R: [section deleted to maintain anonymity]

I: To Defra, okay. So it’s a bit of a new area for me because I know a lot about Scotland because of the other three case studies, but Yorkshire is my last case study that I’m trying to collect data, so it’s quite a new…and I needed to understand what are the differences. So whenever, you know, there is any differences between Scotland and England, just please indicate those to me because I’m not 100 per cent I have captured all the differences.

R: I’m not too familiar with how things work in Scotland or Wales, et cetera.

I: Okay, so if you see from one of the…you have the folder with informative cards, haven't you? Have you received that?

R: Say that again? The information cards?

I: Yes.

R: Yes.

I: Okay, so if you open that file, there is the second, which is a diagram with some colours and scenes.

R: Yes.

I: Yes, the upland food system agents, because the project uses a lot the term food system in upland areas, and I was thinking that this time it’s going to mean different things to different people, that’s why I tried to create that diagram. The blue arrows is the supply chain of meat, so you have input providers, upland farm, lowland farm, primary processor, secondary processor, wholesaler, retailer, consumer, and then you have the orange circles, the organisations or businesses around the supply chain that help the supply chain to add value. So you have banks, you have colleges, extensions services, developmental agencies, like local councils, and then standards certification bodies like Red Tractor in England, inspecting agencies, probably FSA or the Environment Agency which is for water in England, isn’t it?

R: Environment Agency, yes.

I: Yes, and then obviously the one you mentioned, the Rural Payment Agency…

R: Yes.

I: And then you have insurance companies, research centres, consultancy services and there they are all the land agents, the business advisors for farmers or other businesses in the supply chain, and then you have the industry associations or lobbyists, so you have, for example, NFU, NSA, some associations on the level of processors. The orange circles and the blue arrows together, they create the livestock value chain. And then you have the green boxes, which is stakeholders affected of what is happening in the value chain, but also to some extent affect themselves the value chain. So you have the government and the funding bodies, the pharmaceutical market, the energy market, the environment and social interest NGOs and then the local upland communities and the tourists that are going there and the general public. In a few ways, this is the human side, but also, we consider as part of the system the biological organisms themselves, so the plants, the bacteria, the animals.

And what is your first reaction to this? Does it make sense? Would you like to modify it in any possible way? When you have the term food system in your mind, is it something like that or is it something different?

R: First reaction, this certainly seems a logical and reasonably clear representation of the different actors. If I was being ultra-critical in some ways the presentation suggests almost an equal influence for a very varied set of stakeholders and actors, whereas there would be a broad spectrum of degree of interest. But I’m not convinced you could improve on the presentation just because it would get too complicated. I can’t think of much that you’re missing. You’ve got the consumption angle that could well be a significant driver in the future. You’ve got the retailer aspect which again might be a very significant aspect if the future of UK meat production is more around quality and niche markets.

I’m wondering if…I know it’s captured a little later on in some of the other slides but do you need to flag the role of imported competition, products…? I don’t know, or if that is out of scope if this is just a domestic diagram.

I: I was trying to capture the domestic diagram, but, as you said, imports and exports is quite an important thing, so it was quite difficult to start putting these things in the diagram because then it’s going to be global and I would like to avoid that, but that’s why I have included in the drivers of change… But definitely. The other element you raised about the diagram suggesting equal type of influence, you’re right, my intention is not at all because obviously it is not equal, but my thought was like I needed to make sure that all interviewees from the start of the interview, we are on the same page when we talk about food system, pretty much we cover in our mind all of these rather than leave some outside.

But in terms of power of influence, yes, the picture is completely different. So if I could generate bigger boxes for the most influential actors, it would be completely different. But that’s not my intention from the diagram. But could you please very briefly, because obviously later on we are going to discuss about that, but since you raised that, from this diagram which are the actors or the stakeholders that you think are most influential, and play the biggest role?

R: I think when we look along the blue line, the retailer would probably be a very prominent block. If you look at some of the orange lozenges, I’m inclined to suggest that the industry lobbyists would have a very significant influence. And amongst the green blocks, I think the government-funded bodies as well as some of the third sector environmental NGOs are also very important. I don’t know if that helps.

I: Yes, I understand. And particularly about the environmental or social interest NGOs, which ones are the most prominent, the ones that come to your mind?

R: With respect to uplands, I think RSPB and the National Trust would be most prominent.

I: Okay, Natural Trust and RSPB. Okay. With RSPB, we have arranged an interview. With Natural Trust, so far we haven't arranged one. In Natural Trust, is there a particular person you know that probably he’s familiar with upland areas and livestock?

R: I don’t know enough about their staff. The contacts that I have are people like [person 2] or [person 3], but I’m not confident enough to tell you whether they have a particular expertise in upland areas but they would certainly know who to go to if you contacted them.

I: Okay, so is it okay if I ask you to introduce me to one of those people and then we clarify which one inside the organisation, which person inside the organisation is the most knowledgeable about the upland areas? Would that be okay or would that be too much I’m asking? The only reason is that I have no…obviously I can search on the website and probably try to find someone who is relevant, but sometimes from websites, you get the wrong person. It might be someone else would be more knowledgeable from the issues you are discussing.

R: Well, what I can certainly do following the interview is just drop you a quick email, I’ll give you…we’ve mentioned already [person 1], I’ll give you her contact details in case you want to pursue a possible interview with her and I’ll also add the contact details that I have for National Trust and if you want to pick that up, I’m very comfortable for you referencing the conversation that we’ve had and the fact that I’ve mentioned them, if you think that might help open doors to a possible interview, no problem.

I: That’s brilliant. I really, really am grateful for this type of help because to some extent I’m trying my best to pick the right people for those interviews, but any kind of insight and information is helpful for me. So many thanks for your offer.

R: No problem.

I: So the next question, let’s put aside this diagram for now, and then the next question is what does resilience mean for you, as a word, what does it mean?

R: Yes…probably not going to be able to give you a very satisfactory answer to this. I know…

I: As I said, there are no right or wrong answers. Please don’t be so concerned. It’s not like an exam.

R: Resilience is certainly something that organisationally we have focused on. We’ve produced a document called [document 1], looking ahead to our vision and our positioning organisationally for the future and resilience and the ability for the natural environment to withstand all different shocks that it might face was a big thing of that document. I’m quite conscious of those future challenges including climate change and a different…very different potentially post-Brexit policy environment do provide potentially for major shocks and challenges that will need to be coped with and accommodated by particularly the most vulnerable and the most important environmental areas, many of which are of course in the uplands.

I: And this document is online? I can access it?

R: You can do, yes.

I: Yes, [document 1], that’s the…?

R: Yes.

I: Okay, so I will check it and I will try to find it. Okay, so if you can see the informative cards, the last card which is on the last page, there is informative card two.

R: Number two?

I: Yes, number two. Unfortunately, it’s the last page of the document.

R: Okay, yes, got that.

I: Okay, so from the literature that I found, it was resilience is the capacity of a business or a system as a whole to either absorb/buffer against internal/external disturbances, so pretty much here we don’t do anything, and we just absorb the loss, and then second is learn and adapt through incremental changes, for example, for farmers, it might mean increase and decrease stocking rates, and the third, even transform through radical changes, so here it’s like convert to organic farming or start involved in renewable energy or agritourism or giving up sheep production and concentrate only on beef, cattle production. It’s quite radical changes.

Okay, this type of definition of resilience, does it resonate with you? Does it make sense or you have examples of that or…?

R: Yes, very much so. I think as far as I got in trying to answer your previous question, it was more the initial suggestion, but equally important when we reflect on that economic resilience will be a stocktaking of the underlying economic viability of the businesses. I’m conscious, and this is particularly where you would benefit from speaking to the likes of RSPB and National Trust because they’ve done some work with…I think his name is [person 2] from [organisation 2], who has used very interesting case studies, really had a deep dive into individual upland farmers business accounts and explored options for cutting out some of the costs that have actually been associated with loss-making activity.

Quite often the profitability of the business can change markedly by reducing those costs and freeing up the…and often it would involve significant reduction in the number of livestock that are currently losing the farmer money and in doing so free up his time for other opportunities to make better, more profitable use of his or her time. So I certainly think that that is an important part of the holistic picture of resilience to the future challenges, yes.

I: Yes, definitely, and it’s [person 2], you said?

R: Yes.

I: And he works for whom?

R: I think he’s an independent consultant for…I think his own consultancy is called [organisation 2].

I: [organisation 2]?

R: [organisation 2].

I: Okay. May I ask you in the email, can you please write down the name because I’m not sure I have captured it?

R: Sure.

I: It’s very interesting. I have had a few comments probably it’s about that type of work of [person 2], but I have received some comments that there is some evidence that probably, especially for upland areas, it’s important to look at how we can reduce the costs rather than just bigger scale, more inputs.

R: Exactly.

I: Probably it’s the same person they were talking about. But I wonder something else about when you mentioned which particular cost do you know, if you know the details of that study, which particular cost there were losses and he was trying to reduce? Related to what?

R: I’d have to refresh myself with the case studies that I read previously but from recollection, the most dramatic improvement in the economic viability of the enterprise came from massively reducing the number of head of sheep.

I: Okay, so the volume of the animals?

R: Yes.

I: Okay, and you mentioned also that that pretty much freed time and resources in order to get involved in other opportunities. Which type of opportunities was [person 2] trying to search?

R: Well, I think what the accounting exercise did was attribute to the enterprise gross margin the farmer’s time, so that would have been a cost to, for example, the sheep enterprise and by slimming that down, in terms of the accounting, that would have no longer had that cost and there’s an opportunity then allowed the farmer to have more time to purse other things that would be more profitable. I’m not sure whether that exercise identified precisely what the farmer could then do with their free time. It might be, but from my recollection, I’m not sure whether it went that far.

I: Okay.

R: I think some of the things that his own experience at [place 2] had taught him, I think they’ve gone majorly into farm tourism. I think that’s one of their biggest diversification activities…

I: In the area…

R: So that could be an illustration of other things that might be more profitable, yes.

I: Okay, and those case studies are available online or should I be in contact with [person 2] in order to get them?

R: I was exposed to them at a conference organised by the RSPB about 18 months ago. I think [person 2] has a reasonable web profile, so it may be that some of that is in the public domain. As I say, RSPB and National Trust have been working quite closely with him so I think there will be some publicly available material that will make reference to those case studies. But you might get most from it by contacting him directly.

I: Directly, yes, I was planning to, because he seems very involved in these aspects, and I definitely would like to capture those. Okay, so…

R: Yes, I think you should. I’d recommend it.

I: So any other comment on that informative card two about the definition of resilience or we move on to the next question?

R: I can’t think of anything more to add.

I: Okay, that’s fine. If something else comes to your mind later on, just let me know. Now please look at the informative card three.

R: Okay.

I: Okay, so in that card, from the literature…

R: Sorry, we’re just going to have a fire alarm test, apologies for the background noise. Eleven o’clock every Friday…

I: We have to stop or we can continue? I’m not sure, is there…?

R: I can stay at my desk but there will be a very loud noise for a couple of seconds very shortly.

I: Okay, that’s fine. It happens every Monday for us at 11 o’clock.

R: Oh, right.

I: So in that informative card three, you can see all the functions, roles or goals, whatever you would like to call, but pretty much it’s the same thing, and from the literature, which is…let’s talk about the farming community in upland areas, so in those… Can you hear me now?

R: I can hear you but…

I: Oh yes, and you can see the first category is related with the owner’s private interests and then the second category is related with the multiplier effect, the money recycled to the local community by buying inputs, services or any other goods, and then the last category is related with public goods and services, and my question is having in your mind first the farming community, in upland areas, the livestock farming community, please read the whole list, and let me know if there is any significant role or function that is missing from that list?

R: So this is me putting myself in the shoes of the farming community? This is not what I organisationally regard as most important, this is in their shoes?

I: Yes.

R: Okay.

I: Because we’re going to do the same question for yourself, but let’s do it first for farmers.

R: It’s a very comprehensive list but I wonder if there is an interest that links to the latter part of the side where there would be a recognition that it is in the interest of that business owner to…and you could argue it’s encapsulated in eight, provision of other products, but the examples that then follow don’t include what I have in mind which is in relation to the revenue that they can hope to secure from being a provider of public goods. And hopefully the way that the policy warrants itself is to make that much more prominent in the minds of farms and other landowners that they will need to be producing a mix of products, not only addressing the historical food product interests, but also in terms of delivering environmental public goods.

I: The way you phrase it, obviously it is not existing in the list, because if themselves they consider it’s important for them to deliver public goods, then I will try to capture that in the third category, but the way you frame it, you frame it like revenue of being the provider of public goods, which is slightly different. It’s like what is the end goal? Is it to get the money for providing the public goods or the goal is to provide the public goods themselves?

R: Ideally both. I think they will have a hard-headed business decision that when they do the sums, they will realise that in the absence of the income support payments with the government’s intention of phasing them out the only way that they can stay in the black and remain economically viable is to enter into environmental schemes and benefit from those environmental land management incentives. But also, altruistically, they will gain utility and pride in being able to contribute to those environmental public goods that can then be of benefit to wider society. So I would like to think it was both of those.

I: In this case I think it will be better if I add to the first list provision of public goods, something about the revenue, revenue of being the provider of public goods, separate, so both of them slightly differently captured. So if they would like to ignore that and go directly related to the public good service category then they can do that, but they will have the option if we add what you mentioned. I think it’s a good thing to…

The other thing that is missing there, and I got some comments about it, about the provision of other goods, there was also another good which is building stock…

R: Okay.

I: Yes, I don’t have it there, but some of the interviewees mentioned that probably is an important thing. Okay, so is there anything else which is missing?

R: I can’t think of anything.

I: Okay. Now third question is, first of all, these things might be linked or interrelated, so feel free to group them together in any possible way, so, for example, you can say six and 12 can go together, just random examples I’m giving now, but then my question is how you rank, being in the shoes of the livestock farmers in upland areas, how you think they rank the five most important functions or roles or goals right now? How do you think they do it?

R: And it’s my perception of the ranking that is experienced now rather than how they should rank?

I: Exactly.

R: Okay. So on the first question, there’s perhaps an obvious link between two and ten, succession and family satisfaction.

I: And you pick up from the whole list, not only from the first category.

R: In terms of the linkages?

I: No, I mean, you rank the five most important and you can pick from the whole list, from the whole page, not only from the first category.

R: Okay. So I think seven is probably at the top of the list… Maybe ten next.

I: Okay.

R: Number one.

I: So number one is the third on the list?

R: Yes.

I: Okay.

R: So number five but maybe a slightly broad interpretation of five that thinks of the cultural aspect of sheep farming.

I: What do you mean there?

R: Well, my perception is…I’m not as experienced as, ideally, I’d like to be in trying to respond to these questions. But there almost seems to be an inherent sense of that sheep farming community that is very rooted in their traditions, and that creates a resistance to change, or to consider in some of the recommendations that the likes of [person 2] might identify, than about the benefits they might have from reducing their sheep numbers. So that sort of cultural attachment to that way of life and way of farming I think plays a major part in their decision-making and out of the list that’s perhaps closest to number five.

I: Why would you link that particular thing with the respect issue?

R: I guess my interpretation is that that is respect of the local community’s objectives and priorities. Maybe it’s a misinterpretation but that’s…

I: No, to gain their respect of the community.

R: Okay. If that is the focus then I perhaps wouldn’t attribute that ranking in the top five.

I: I suspect the one you mention, it might be linked with number 21, although we have to add there it’s preservation of historical and cultural value of landscape and local cuisine but also traditional ways of farming?

R: Yes, you’re absolutely right. Let’s put that fourth.

I: Okay, and then is there anything else there?

R: I guess succession would be number two, it would be up there, yes.

I: So one question I would like to clarify here is you have in your mind primarily sheep farmers, is the picture different when we talk about beef cattle farmers? Or it’s the same?

R: Broadly the same. I wonder if that sense of preserving the culture and landscape is quite as strong? Maybe that would fall down a bit on the pecking order, maybe swap places with succession to number five, but I think broadly a similar prioritisation.

I: Okay, and the other thing I wonder from the experience you have in farmers, have you seen any different segments, any different profiles? Because I assume all the farmers, they don’t behave the same, so have you recognised any clusters if you would like?

R: I haven't got very good experience, to be honest, I would guess and it would be supposition but there would be very different motivating factors for a younger generation of farmers perhaps…

I: Okay.

R: Different size profiles could have different objectives, different priorities.

I: Okay. That’s fine. Now I’m asking the same question from your organisation, what do you think the farmers should or what is the position of your organisation about those things? What do you think would be the five most important factors, roles or goals?

R: I would put number 14 at the top.

I: Fourteen? Okay.

R: Yes. Fifteen next.

I: Okay.

R: Twelve next. Nineteen.

I: Okay.

R: And 16, fifth.

I: Okay, and is anything from the first category?

R: I think there’s the reverse linkage point that I tried to make when we were describing the four that their recognition of the need to deliver on those public good objectives should have a positive feedback loop into their ability to maintain a reasonable income stream and economic viability, so the revenue that they secure from their successful delivery of those environment and public goods that helps them with respect to that first number one interest.

I: Number one, okay. So you expect that the assumption is that looking for delivering public goods pretty much they’re going to create a positive feedback loop to deliver some of the probably number one, reasonable profit margins or return on investment, that’s the argument?

R: Yes.

I: Okay. I wonder, number seven, what role it plays in that perspective?

R: Very low I think, in a rational analysis. I’m not convinced that the levels of production calorific output from the uplands has a particularly significant role to play in certainly global food security and increasingly I would like to think that there will be a recognition that the greatest value and contribution that the upland farmers can make is with respect to those environmental public goods and I think that’s where a hard-nosed assessment of their market opportunities, and I’m including the delivery of public goods as a market that they can tap into by securing some of those public incentives will demonstrate that the balance of revenue streams will focus much more towards that provision of environmental goods than historically hereto has been the case.

I: Okay. Just a moment because I was thinking to make a different question here. Ah, yes, the question…sorry, it came out of my mind when you were discussing then I just lost it for a moment. So what about the same question if you were talking about lowland livestock farmers? Would it be different or the same?

R: The same with respect to food security?

I: Yes, what role the food security, and I’m talking now about lowland farmers.

R: Lowland livestock farmers?

I: Yes.

R: I think the balance would be different because their potential for market revenues from the production of food may be greater but this is almost a challenge back to us in designing the future environmental incentive schemes in such a way that they are sufficiently attractive to mean that those lowland livestock farmers, including dairy that has been quite hard for us to engage with previously, are prepared to find that sustainable mix of activities and revenue streams to include those land management schemes. So I think it is different but it ought not deprioritise the importance of those public goods so much that it falls out of their farming mix.

I: I understand. My question is that comes pretty much from the reaction of the Scottish Government, because obviously, well, we will discuss later, but there is some hints that we are going towards the payments for public goods, if I understand correctly, in the media, and there is a reaction from the Scottish Government that the main difference is that food security for the Scottish Government is considered a public good, while for the English government it’s not considered a public good. So is it right the way I have understood it?

R: Yes, food production is not something that is currently reflected in the provisions of the Agriculture Bill as warranting public financial support. Food security again in terms of our core department and government stance, the emphasis tends to be much more on efficient trade flows rather than any sense of having legislative targets for domestic self-sufficiency, for example. And I guess the contrast between the English and Scottish perspectives can best be illustrated by the way that the Scottish administration has deployed coupled payments for the beef sector whereas it’s been a long time since we had any of those in England. In fact, we took the first opportunity to eliminate those and it’s a longstanding position that they don’t represent an efficient policy intervention.

So that’s a good contrast of perspective and my understanding from what I’ve heard from representatives of Scottish Government when they’ve spoken at conferences that I’ve attended is that it certainly is the intention to continue with those coupled payments, those [inaudible] payments into the future. And it’s not the case now on the agenda or even allowable, I understand, except for in exceptional market disturbances as far as the provisions that have been brought forward in the Agriculture Bill for England.

I: Great you mentioned that because I wasn’t 100 per cent if the calf subsidies exist in England, obviously they don’t.

R: No.

I: Okay. When you discussed now about the food security, you mentioned food production instead of food security and you mentioned something about efficiencies, so do you think that this is the underlying reason why food security is not part of the public goods rationale in England, because… Just I’m guessing now, just I’m trying to understand why there is that difference between the two nations generally, why we define things in so different terms?

R: I can probably only speak from the English perspective, but a recognition that it doesn’t represent an efficient policy response to subsidise domestic production to maintain an arbitrary level of domestic self-sufficiency in food production, because much more important determinants of domestic food security are the efficient trade flows and supply chains.

I: Efficient…what did you say?

R: Trade flows and supply chains.

I: Ah, trade flows, okay. I didn’t hear the word, sorry, efficient trade flows, and then what else did you say?

R: And supply chains.

I: And supply chains, okay. Which means trade flows, you mean pretty much imports and exports?

R: Yes.

I: Okay, and supply chains. Good. So do you think that a policy that tries to promote the domestic food security versus a policy that tries to maximise the public goods…it’s kind of incompatible to some extent? They create a trade-off to some extent?

R: I think there are inevitable trade-offs. Just to add on to that previous point, I’m mindful I heard a prominent academic here, [person 3] [section deleted to maintain anonymity], and he has been very forthright and outspoken in his views in debunking some of the arguments around the need to prioritise food security arguments in a domestic policy context and one of his major arguments is that if you genuinely were interested in that and take it to its logical extent, you ought to be intervening from a government perspective to make sure that you were self-sufficient in terms of all the inputs of food production. So you would make sure that you could furnish the industry with domestically supplied fertilisers and domestically supplied tractors and all of the other inputs that you would need to maintain that domestic food security, and he unpacked that argument along those lines.

But no, back to your trade-off point, yes, I think if there is an overarching objective to maintain…it’s quite hard to separate it out from food production if essentially the Scottish administration said that they needed to maintain their levels of beef production and sheep production, for the sake of argument, it would constrain the scope for an increased use of some of the environmental land management options and practices that might see a consequential reduction in those livestock numbers. So I think there is a definite trade-off. It doesn’t have to be a complete either/or but the direction of travel and the prioritisation that the English administration has got in acknowledging the fact that the principle reason for government intervention, with the provision of financial support, will be to promote environmental public goods is…you would expect me to say from my organisational perspective…is very much the right way forward.

I: Okay, I understand. It’s very illuminating for me the whole argument you mention. The person from the [organisation 3], his name is?

R: His name is [person 3].

I: [person 3]? Okay.

R: [person 3], yes.

I: Okay. And the argument, if I understood correctly, the main argument was in order to achieve domestic food security then you have to secure domestic security in inputs for producing those, that was the argument?

R: Yes, so what is the risk that you’re trying to assert yourself against? Is it a global trade war that prevents you securing any of your food imports that you previously relied upon? If that is the genuine risk that you’re trying to mitigate for then by extension you won’t be able to import any fertilisers or pesticides or any farm machinery, so to be truly food secure domestically you would make sure that you had a high degree of domestic self-sufficiency in all those aspects. So I think he’s calling out the inconsistency in some of those arguments.

I: Okay, and his arguments, can I find them somewhere on the internet? I mean, if he has published…

R: Yes.

I: Okay.

R: I’ll send you the link of his paper from about a year ago that outlines his arguments, yes, no problem.

I: Okay, so it was a kind of academic paper he has published on that?

R: It’s on his own blog so it’s not…

I: So it’s in a blog, yes, I understand. Because I was confused if it was an academic paper or in a blog.

R: He is an academic from [city 1], yes.

I: Okay. That’s fine. So the other thing I would like to ask you…so any other comment in the informative card? Anything else that came to mind and you would like to discuss before we move to the next one?

R: No, I can’t think of anything.

I: Okay, that’s fine. So if we move to the informative card four…

R: Yes.

I: Then my question is about this card details you again disturbances and long-term pressures, shocks and drivers of change, and whatever you would like to call it but pretty much it’s the same thing, so my question is if you read the whole list, do you see any important driver which is missing and I’m talking about from the whole supply chain, and also from the perspective about delivering public goods, not only delivering meat, I mean, food, so is there any important driver you think is missing from there?

R: I was looking at, but I see it towards the bottom, you’ve got those potential changes in consumption patterns and you’ve related that to the ecosystem damage…yes, I think that’s all there.

I: To make it clear, I haven't mentioned on the card because I thought it was better if I leave freedom for the people to raise but when I’m saying about changes in consumer lifestyle, consumer patterns, it’s also that type of movement towards vegetarian type of diets.

R: Yes, my wife is vegan so yes, I understand that from my own household.

I: So the 19 is more like all the general types of concerns about either the emissions or the animal welfare or any type of concern that the society has linked with the livestock production.

R: Yes, that’s adequately covered. But I think you’ve got the other one that I’m particularly interested in around the policy drivers, I think you’ve covered all the bases there too…

I: Did you find anything which is missing?

R: There’s overlaps but I wonder…

I: Yes, as I said…oh no, probably I didn’t, I haven't said it for this card, but it’s the same like the other one, there are overlaps and also linkages between the things.

R: Yes, so we just came from the discussion of trade-offs between the provision of public goods versus the more production food security type arguments, and I guess the balance of those trade-offs might have a role in this list as a driver because, for the sake of argument, you could see…I guess you could argue that that’s covered in subsidies but if we contrasted the English and the Scottish policy priorities, the way that the respective administrations then took forward their policy interventions on the back of those objectives could then reflect significantly different drivers.

I: I think the way you express that, I think it’s much better if we added as a separate thing, and how would you like to frame it?

R: Something along the lines of the way that the balance between environmental and productivist objectives is reflected in agricultural policies.

I: Okay, can you repeat it in order to write down?

R: Sure. So the balance between environmental and productivist objectives is represented in policies.

I: Represented in policies. I think this is a very, very good point and I wish I had it in the list because obviously it would be helpful for the previous interviews to frame around that and speak about that because they tried to raise the issue but, as you said, they were discussing under subsidies or…primarily under subsidies, I think they were discussing under subsidies, I couldn’t imagine any other way they could try to raise the issue.

Anyway, always it’s good to add things.

R: Sure.

I: Is there anything else you would like to add in the list?

R: No, I don’t think so. I think it’s extensive, otherwise, yes.

I: Okay, some other things that people have added from other interviews, it was like the exchange rate between Sterling or Euro or dollar or whatever, and then the other thing they were saying was land reform, especially the issues around tenants and landlords. What else? And also, the taxation or the incentives given around taxation. And I think that is primarily linked with all the grants that they’re giving right now for forestry.

R: Okay.

I: But anyway, those are a few other things that people have added in the list.

R: Yes, all very relevant, you could suggest the exchange rate was a subset of price volatility but yes, certainly no harm in unpacking that and it has been a very significant driver of profitability whilst we’ve been within the Common Agricultural Policy and I’m sure it will continue to be outside, so yes, all very valid suggestions.

I: Okay. So my question now is what do you think are the five most important, and again you can group them together as much as you want, and…

R: And we’re thinking, sorry to keep confirming this, particularly about livestock production in the uplands?

I: Yes, please. It will be much easier if we do that.

R: So I think the big ones are going to be trade related, so I would say 13 and just because of the political realities I won’t jump to 14 next, I will go to 12 next and then I will go 14.

I: Okay.

R: If we had in the list the extra one that I added, I certainly would put it up there in the top five, but betting without that…

I: No, let’s put it like number 23, so where is 23 coming in?

R: Okay. Let’s put that third, and then put 14 fourth.

I: Okay.

R: And…I’d kind of want to bundle up 19 and 20, but let’s go for…

I: You can put them together if you wish.

R: Yes, okay, well, 20 is a proxy for those issues, yes.

I: So 19 and 20 together, you mean?

R: Yes.

I: Okay, I wonder what about climate change issues?

R: I certainly wouldn’t detract from their significance, and I may have fallen into the trap of thinking too short-termist in my prioritisation because I’m conscious that this slide title reflects those long-term pressures…

I: Just to give you a few examples of long-term pressures, long-term pressures might be the gradual increase in temperature, in rainfall but also can be any demographic change, any consumption belief or pattern, you know? Slow types of changes.

R: And I don’t know what your definition of long-term is, but if we were talking about the next 30-odd years previously, I still think that if you were to jump forward and then reflect on the previous 30-odd years, the significance of those aspects in respect of our future trading arrangements and our future policy regime would have had the biggest bearing in livestock industry, even more so than the accumulated effect of climate change. That would be my guess.

I: Sorry, I didn’t catch the argument. So the argument was like the Brexit-related things, it’s quite short-term, huge changes, while the long-term climate change is kind of more long-term, was that the argument? Or probably I got it wrong.

R: No, I was suggesting that if you had the ability to jump forward in time and then look back on the last 30 years that takes us back to the present day, still out of that 30-year period, those Brexit-related aspects that I’ve prioritised very highly in my top five would still have the biggest bearing over that 30-year period than the cumulated effect of climate change.

I: Now it’s clear, probably before I didn’t hear correctly. Now it’s very clear what you have said to me. So let’s try to unpack a bit about those things. About subsidies, I wonder especially with…we have tried different types of subsidies, and very briefly can you give me a bit of side-effects of different types? So we had in the past head-based, land-based, environmental schemes, infrastructure grants and probably in Scotland now they have that calf subsidy which is a different type of head-based subsidy. So I wonder have you seen any side-effects of each one?

R: Yes, the decision that we took in England to eliminate livestock headage payments was driven in large part by evidence that it was leading to suboptimal grazing regime and more intensification than would be desirable with consequential latent environmental effects. So I think there’s a strong argument which seems to have steered the policy here in England.

There’s another contrast that we haven't touched on previously around the less-favoured area payments, which again we eliminated at an early opportunity whilst they persist in Scotland, and again my understanding of the contrast in thinking there is that because of the fairly minimal environmental conditions attached to those LFA payments, they haven't reflected particularly good value for money and when there has been competition for funds and a scarcity of resources to provide a budget for more targeted, more demanding environmental land management schemes, the decision in England has been to instead prioritise those elements of our rural development programmes right up to 85 per cent or more of the overall rural development programme budget dedicated to those environmental schemes, whereas a large proportion, I’m not aware quite how large, but I think a big chunk of rural development funding in Scotland is devoted to those LFA type payments.

I: So in order to understand, in England when did the LFA payments stop? When have they been eliminated?

R: The [inaudible] which was…oh crumbs, my memory is failing me…we had the new… Round about, I think 2008/9, we had an upland entry-level scheme which was a level one scheme targeted at the upland areas, and that took over after the LFA scheme in England was phased out.

I: Okay, so pretty much you didn’t completely eliminate the stream of the money that was going to those upland farmers because you introduced another scheme?

R: But it wasn’t based on principles of compensating for natural disadvantage, it was a targeted agri-environment scheme for upland areas.

I: Okay, and what is the full name of the new scheme? Upland…

R: Well, I should point out that that has itself finished now, so when we had our new iteration of our agri-environment schemes and Countryside Stewardship which replaced the previous Environmental Stewardship, that no longer had an uplands dedicated strand. Instead, we have a large suite of options for farmers from all sectors and all parts of the country to choose from, but there is no longer a dedicated uplands strand, but previously under the former Environmental Stewardship scheme there was an uplands entry-level scheme which was only available in the upland areas.

I: Is that upland entry-level scheme, the main difference with the Countryside Stewardship scheme, it was both were environmental schemes but the upland entry was only eligible for upland farmers? That was the main difference?

R: Yes, indeed. So excuse me, I don’t know how much detail you need but it was a universally accessible agri-environment offer with a threshold of points that you acquired for opting into various different management practices. There was the default entry-level scheme which required attainment of more than 30 points per hectare which then paid £30 per hectare, and then there was an uplands variance which required 60 points per hectare and accordingly paid £60 per hectare.

And then above that was a more demanding higher level scheme, and members of either the entry-level scheme or the uplands entry-level scheme could, if they were in a target region or able to demonstrate that they had enough priority options, they could enter into that higher level scheme. A significant proportion of the agreement holders in upland areas were able to go into that more onerous high level scheme and achieve increased payments for their agreement.

I: Is there any document that pretty much summarises all that type of evolution in the environmental schemes in England? So any document that I could read to understand all the differences and how things have evolved over the time?

R: I’m not sure there is, to be honest. I know we have published some of the results of the environment scheme until the previous Environmental Stewardship, but I’m not sure that has been updated to discuss the most recent changes with Countryside Stewardship nor would it necessarily go into the sorts of policy evolution with the demise of less-favoured areas. I’m not aware… I’ll have a look to see if I can identify a document but I wonder if there is anything like that.

I: Because I just wanted to have an overview what is the essence of each scheme and what is the difference from the next one, because obviously they have a lot of overlaps but slight differences to understand. So any type of document that you can indicate to me that will be extremely helpful.

R: I’ll make a note to have a look. I’m wondering if there has been a parliamentary enquiry or maybe even a National Audit Office report that has just summarised things. I’ll have a quick search.

I: Yes, please because I’m quite lost and imagine how much more difficult it is for me, that at the same time I have to update myself with the things that are evolving in Scotland. It’s quite a big task. Anyway, so yes, we discussed about different schemes, but I wonder what are the side-effects?

R: Side-effects, so…

I: Yes, for example, the head-based, very obvious side-effects as you mentioned, they promote quite an ineffective or inefficient type of agriculture, but what about the others, for example, the environmental schemes, particularly, what are the side-effects there? What type of problems or challenges have you faced?

R: Well, there are a few examples spring to mind of general side-effects. I’m conscious that with the Common Agricultural Policy direct income support payments, their eligibility criteria exclude areas of dense woodland and also make deductions for technical terms around permanent and temporary ineligible features such as rocky areas or scrubby areas aren’t eligible for payments, and that can create perverse incentives where landowners will remove scrub just to regain eligibility, which is detrimental for those environmental objectives. So you can have the rather counterproductive situation where you’re almost using the environmental side of the architecture to buy people out of their entitlement to the income support.

We’ve also acknowledged in our advice to government that when there was the implementation of the most recent Common Agricultural Policy reform, in England we changed the way that the direct income support, the basic payments scheme, was distributed across the different regions, again this is different to the Scottish situation, but we had three regions which included a differentiation between the less-favoured areas and the moorland areas, as well as the lowland areas, and what happened was there was a redistribution in favour of those moorland areas.

So they had more of an equivalent amount of subsidy to the people further down the hill. The worry that we had was in making that redistribution farmers might use that extra income to intensify their practices, put more livestock, almost cross-subsidise a loss-making activity of having those extra livestock on the hill and in doing so have a detrimental environmental impact. I’m not aware of any evidence to have born out that concern, but that certainly is something that we flagged as a potential negative side-effect.

We mentioned already the potential negative consequences of those coupled supports. There has historically been support provided to market price mechanisms that still are residual intervention mechanisms providing a floor in the market price for livestock products, principally dairy, butter, powder, but I don’t think there is any more an intervention price for sheep meat so that’s perhaps less of a factor. But that has historically…those sort of market price interventions have driven higher production levels than otherwise would be the case which again has negative consequences for the environment because of artificially high stocking densities.

So there’s been quite a catalogue of negative environmental side-effects.

I: Negative environmental side-effects of the head based, you mean? The head-based subsidies, of which subsidies are you discussing now?

R: Not just the headage payments but when the policy was more focused on maintaining an artificially high market price, in those circumstances production was incentivised in ways that led to more high livestock numbers which again has environmental…

I: And when did that happen?

R: So the evolution of the policy, we had the [inaudible] reforms in the early 1990s which moved from the price policy of the Common Agricultural Policy to direct payments. So at that stage, you then had the introduction of the original livestock headage payments, and the area payments, which then evolved through to the [inaudible] reforms from 2003, where he broke the link between those production activities. So you no longer had to hold those number of livestock or plant those arable crops to gain your support. So that’s how it’s evolved over time. So I was harking back to the early 1990s and before that in the days when those price intervention mechanisms dominated policy.

I: So you are talking about the time when there was the shift from head-based to land-based but you are mentioning some price intervention policies, and I’m not exactly sure what are those price intervention policies you are talking about?

R: So pre-the early 1990s, the principal way of supporting farmers’ incomes was through institutionally set artificially high domestic prices, so the incentive for the farmer was to maximise their production to benefit from those artificially high prices. That led to the famous wine lakes and milk lakes and butter mountains that were then addressed by the change of policy from the [inaudible] in the early 1990s.

We do still have a small carry-over from those days in the intervention of prices that are still present in the policy, but they’re much more a safety net, a floor in the market in case prices fall very steeply. But you could argue that the way that they certainly distort what otherwise would be the risk exposure of farmers, both that and the presence of the income support payments means that they are insulated from those risks, so that they can continue with what otherwise would be unprofitable farming activities, including holding livestock. And if it wasn’t for that, there might be more environmental benefits, because some of that livestock production has those negative impacts quite significantly around climate change but also other negative consequences too.

I: Okay, I understand most of what you said. The only thing I haven't understood was about the official price institutional kind of setting, and I wondered which institution was setting the artificial prices? Was it an industry board? Was it a government body?

R: These prices were set at a European level through the policy-making of the European institutions so it would be based on a proposal that was adopted by the Council of Agricultural Ministers in those days. So that’s how those institutional prices were set and you would effectively have…well, the sugar regime was the archetypal managed market because they quite literally did set target prices and…

I: I’m aware of the sugar regime, but do we have something similar in beef and sheep?

R: I’m not confident enough to…I’m pretty sure that there used to be intervention prices for both sheep and meat. I’ve got a feeling that those prices for sheep have now been eliminated, but I think there is for at least some categories of beef…

I: That’s why I’m asking because I’m not aware of those in beef and sheep and I was thinking is there any document that describes that?

R: Yes, the CAP basic act for the common market organisation will list all the sectors that still retain intervention mechanisms.

I: Okay, can you give me a link of that?

R: Yes.

I: Okay, that will clarify a lot of things because I was confused at some point but I think I understood now. Okay, about the environmental schemes, some of the comments I got from the interviews, it was like side-effects, that they created a kind of…the access to those schemes is not on an equal basis because it depends very much on the type of land you own, whether it’s eligible or not, and in some upland areas, remote areas, pretty much they have already used that type of land which is eligible, so if other subsidies, land-based subsidies, I mean, go away and only environmental scheme payments are there, pretty much it’s not enough for upland farmers to make their businesses viable. What do you think, they are valuable comments those things?

R: I’m not sure I necessarily follow the argument. I think it would be very rare to find a circumstance where even an upland farmer can’t be doing more for the environment. There are innovative approaches to the way that schemes are managed and activities are incentivised.

I know [organisation name] is running a pilot for a payment by results approach and that has got one part of it is grass production in the Yorkshire Dales, so these are relevant circumstances, and the farmers involved, they are tiered payments and the agreement holders can achieve high returns for their land management practices if they are able to demonstrate better results. I think those sorts of innovations offer scope for upland farmers to generate better returns for their environmental land management activity, if they’re prepared to…it’s kind of a case of you get as much out as you put in to it.

I don’t think if the enterprise is prepared to consider some of the more radical reorientation of their industry that we were discussing previously in the interview, there should be a constraint in what they can hope to achieve from the environment. It’s not a case that policy ought to seek to replicate or re-establish the income support that is being phased out. I think that would be unrealistic in all circumstances, but again the challenge to us is to make sure that the future schemes are designed in such a way that they can be sufficiently attractive to all land managers including those in the uplands.

I: You mentioned about that pilot study of yours, is that something which is running, something that has finished?

R: It was at the outset a European Commission funded study, it’s come to the end of its term at the end of this year but it has been extended with domestic exchequer resources so it will run another two years and there’s also plans to extend its scope as well as its duration.

I: And have you published the results of those, I mean, the findings, have you published them somewhere?

R: There is a website that has been updating on progress, which again I can send you the link to…

I: Yes, definitely because obviously it’s very relevant, yes. But when you mentioned innovative types of ways to deliver the public goods through that pilot study, can you give me a few examples what you mean by innovative practices?

R: Well, the principle that’s driving this particular study is that instead of a more prescriptive approach to setting up a land management contract, the onus is much more on the outcomes and the results by the nature of payment by results, so you’re establishing some metrics against which the farmer will be paid and there will be a spectrum of achievement and this means that it changes the mindset. Instead of it being what people have characterised and criticised of former schemes as being tick-box exercises, where people are just reading off their list of instructions and not really engaging in the overall attainment of the environmental outcomes.

This hands back much more control to the farmer and land manager to use their local knowledge to work towards achieving… So, for example, in the grassland side of the pilot, there are criteria against which there will be different species of plants in the pasture and people will be given guidance on how they can go out and do their quadrat assessment of that diversity and they will self-assess subject to inspection and verification against those criteria.

So it’s getting much closer to the targeted outcome and putting much more control in the hands of the farmer. And through the tiered payments there can also be a sort of competitive element to it, where the farmer is putting more effort in. A bit like their mindset towards their attainment of food production, they can look to maximise their yield of wheat or they can now in a similar way look to maximise the amount of birdseed that they generate. Whereas previously, just as long as you planted and obeyed these instructions, they’d get the money, now they would actually get a premium for producing more resource for the farmer and birds. So it seems to be generating very encouraging results at this point in the study, which is why Defra have decided to fund it for an extra two years.

I: May I ask you a few things here? When you say metrics and spectrum of achievement, was it related in any possible way with public good tool, that type of survey type of…? I’m not sure if you are aware about that public goods tool which is a kind of long type of survey that pretty much captures the activity of the farm, of what they are doing in order to deliver public goods. Is it related to that or it’s different metrics developed only for this pilot project?

R: No, what I was talking about was metrics with respect to…I think there’s a handful, four or five specific options and for each option they have a metric against which the level of payment is then associated. So it is much more attached to the quality of delivery for those particular environmental land management options and I think we were looking at pollen and nectar mixes and birdseed mixes in the arable pilot and there was a focus on…I’m struggling to remember but I can send you the link…I think there was a habitat for a particular type of waders, and another option.

I: Yes, definitely, I would like the link of that, because, as I said, there is that type of public tool survey that is quite popular. And a couple of organisations that tried to apply that in order to generate evidence, whether the farms do things in order to promote public goods, and also generate some kind of shift in the mindset of people to discover areas that they are not doing enough and they could do a bit more. But probably we are talking about two different things here, and definitely I would like to have a link about the metrics that they are using in that pilot because part of our collaborators…I mean, some of our collaborators, SRUC particularly, they are using that tool I mentioned. And they will try to make some statements about the resilience of the farm based on what activity there is in the farm to deliver public goods, which not necessarily means the same thing you are trying to measure, because from my understanding you are trying to measure the actual results, the actual outcomes, rather than how much effort they are putting. They might put some effort but probably it’s in the wrong direction and they don’t deliver the results, so they will not be paid for the effort, they will be paid for the actual results they are getting.

R: Exactly. And this actually does change the risk dynamic in contrast to what we’ve been used to. It’s been characterised more as a tick-box exercise and the farmer knows as long as he’s able to tick all those boxes, they’re going to get paid. Now there is more risk taken on by the farmer, they have more control but at the same time that comes with more risk because if they don’t generate those outputs then they’re going to get a low or potentially even a zero rate of pay.

I: Which is very interesting because some of the comments about the side-effects of existing environmental schemes I got, it was it makes the farmer pretty much more reliant. They have to rely and depend on specialised consultants helping them to put a plan, a proposal, and then the other thing is that the quality of the plan, it very much depends on the consultant, how to say, expertise, quality of knowledge. Because I got a lot of comments that, okay, we do the things, like that you said, as a tick-box exercise, we do the things, we get paid. But the farmers themselves, they question a lot whether these things they are doing, they see any real benefit, that they were thinking that there is something missing. We are doing things that really we don’t see a proper benefit in terms of public goods but we have to do it in order to get the payment.

So do you think it’s very much related with that type of shift you are talking about, more control but delivering actual benefits rather than doing all the tick-box exercises?

R: And just picking up on a couple of those issues, it’s a very live debate at the moment as our core department considers the preferred design of future environmental land management schemes and as to how much and how applicants would be supported through the provision of advice. I think there seems to be a strong interest in having the core of the application process, the development of a plan that will identify the natural capital assets that are available on the farm and the ways that that farm can look to generate environmental public goods and giving more autonomy than has been seen in previous schemes to the land manager in setting up that plan and that contract. But in doing so, recognition that they will need to be supported through some provision of expert advice.

Another thing I think you mentioned in what others had told you about the limitations of schemes, is around the control of land and the way that tenants sometimes can’t guarantee their control over a very long-term perspective, just by nature of their tenure. And that certainly is, again, a challenge back for those designing future schemes, to make sure that those tenants aren’t excluded from those future opportunities because of some of those tenure issues, so I think that’s definitely a valid issue. But again, I’d like to think that it isn’t something that can’t be addressed and accommodated in the future design.

I: I wonder when you said that there is a live debate right now about the consultants and how much we rely on those, obviously it’s still a debate but I wonder what are the clear voices there? Do they talk anything about whether this access to consultant expertise is free or only by paying for that consultancy, or do they raise any issues about whether there’s going to be assessment of the expertise of those consultants?

R: Yes, you’ve identified the main things, absolutely. It’s how that provision is paid for and the ways of ensuring that the quality is sufficient, so some form of accreditation and which organisations are going to take the lead roles in providing some of that or accrediting any private advice, it’s all in the mix, all still to be determined.

I: But obviously we don’t have clear answers to one or the other direction.

R: No, not yet, too early.

I: Okay. Because what else I would like to say, what other comment about…just give me one moment please… No, actually I can’t recall any other comment we haven't discussed about the environmental schemes. But primarily it was the issue about how you define the public goods, how you measure them and how you know exactly what is the most efficient way to deliver those, because there are so much mixed messages about all of these things that put the farmers in a very difficult position to make a clear understanding. I assume they were even more concerned when they realised that they’re going to have more control but obviously more risk.

R: Well, in terms of those behavioural aspects, the initial results have been very positive. I think the hope for change in a positive way of those mindsets has really been demonstrated and farmers thrown themselves into it, almost competing with their neighbours for the higher scores. It’s the sort of thing that has, according to some of the anecdotal comments that the researchers have been collecting, kind of engaged the younger family members who are interested in helping with the self-assessment. As I say, the majority of the feedback has been very encouraging.

One part of the study was to assess the reliability of that self-assessment, because again there is potential for additional administrative effort where these things are being assessed on the ground. So if we can rely to a large extent on self-assessment, that would make it much more viable as a proposition. And my understanding, although I’m not close enough to the results to give you a definitive steer, is that that again has been pretty encouraging. There have been some overestimates, as you might expect, but so many people have been underscoring themselves, so on average I think it has reflected quite well on the possibility of rolling this out in a more mainstream way.

I: Yes, okay. You mentioned before that you would like to see more forest and less sheep and I wonder generally from all this, either the pilot study or all of the other evidence you have collected and your experiences, what are the key messages? Like, do we need sheep and do we need beef, cattle, in those areas, we can do it without them, there is any different potential in resilience in terms of native breeds versus European or continental types of breeds? I mean, what are the messages there?

R: It’s getting into territory that I would tend to defer to my more specialist colleagues but I think organisationally we have an openness to…it’s a bit of a loaded term, but some degree of rewilding and in certain circumstances, there could be those benefits from seeing less of a managed farm landscape. So I certainly wouldn’t see a necessity to keep the amount of livestock we have on the hills at current levels. I haven't got much to say around the rare and traditional breeds, I don’t know enough about that to comment, I’m afraid.

I: Okay. Obviously I’m going to discuss a few of those things with [person 1] you mentioned, but the reason I asked was, having the interviews with so many different stakeholders, both in England and in Scotland, and also some of those stakeholders, they were organisations, a type of equivalent like yours or they tried to do the evidence based research of what can deliver more public goods, and some of the comments of evidence based comments that I got, not anecdotal only type of evidence, but based on research, it was like you need a certain type of beef and sheep stocking rate in upland areas in order to deliver the environmental benefits, because some of those benefits you cannot really replicate with any lack of either sheep or beef. It has to be a mixture of the two, probably less sheep and more beef cattle. That was a comment like that.

Another comment was like native breeds probably have a higher potential, both in delivering the environmental benefits but also in terms of overall resilience of farmers because they are more, how to say, designed for tolerating the hardness or designed to work well with less inputs, so they are less exposed to the volatility of prices or any type of shocks related with the inputs. The other thing was that grass-fed or pasture-fed extensive systems have a kind of huge potential of delivering both environmental and health benefits compared to more intensive types, because although we were talking about upland areas and to some extent they are extensive systems, there is also some trends that they try to intensify, if you allow me to say your word, a bit more what is going on in upland areas. So they tried a lot to house the animals especially beef cattle and do it more intensively rather than extensively.

I don’t know if I summarised quite well, but that kind of comment I was getting and those people, they have mentioned some research or they have sent me some references to back up this type of argument. So that’s why I made the question before. I mean, have you come across similar types of things or…?

R: Yes, certainly with respect to that mix of grazing with more beef than…an increased proportion of beef as opposed to sheep, but I think what I have absorbed from colleagues is that there are circumstances where having no grazing, almost fenced off the area and allowed it to naturally regenerate could be even better for the environment than maintaining that mix of grazing. So again not everywhere but in certain circumstances, being prepared to go down that line could reflect…

I: Are there any particular habitats they have in their mind that might be suitable more for going down that route?

R: Again, I’m afraid I don’t have the specialist knowledge to be able to give you a steer on that. I think [person1] would be a good person to pick up some of these specific questions around rewilding and the merits of that.

I: I definitely would like to hear more about that and if there are any scientific evidences that back up that because I got quite strong arguments against that that pretty much the wildness pretty much originally it allows a bit of some species to regenerate but at the end, it’s some species that pretty much kill any other species, so the result a few years later, it’s not so balanced. That was the counterargument, that’s why I wanted to find scientific evidence that supports either cases.

So from my side, I think already in terms of time, we have already exceeded the two hours. I don’t want to ask you too many other things. I wonder you mentioned about the trade-offs and I wonder if there are any other important trade-offs we have missed out from this conversation and you would like to raise?

R: No, I don’t think so. I was trying to think of some of the win-wins and I’m aware in more of a crop production environment there can be benefits from having strips round the edges of fields for pollinators that can then provide a yield boost for the centre of the field that outweighs any loss of production from having those small pieces, strips of land round the outside turned over to environment interests. So there certainly are examples of win-wins that you can point to, so it’s not all an either/or, or a trade-off.

The only other thing that I just wanted to make sure you were aware of, you say you have had conversations with some of our sister organisations in other devolved administrations. We do have a tradition of collaborating and producing research reports under the auspices of the [group 1] which brings together a number of organisations across the UK and one particularly relevant report back I think in 2011, I think, was published…again I’ll send you the link to it…

I: Yes, definitely.

R: …was entitled [title of report], so that was exploring ways, and back to your point, or what you cited from previous interviewees, that a public good policy can’t generate enough income to make it worthwhile, this was exploring that precise issue and challenge and looking at ways that the traditional payment methodology can be adapted to make sure that those farming systems that do underpin the delivery of those environmental goods can be sustained. So again, I think that’s a relevant publication so I’ll send you the link to that.

I: Yes, definitely. And the other question which might be related with that trade-off question is what would be the impact if upland sheep and beef cattle farming is dramatically reduced or ceased altogether, and when I’m talking about impact I’m not talking about only in terms of economics or environment, it’s also social types of impact that it might have in the rural areas?

R: So the answer to that I think it unlikely to envisage the circumstance where you would have such a drop-off in beef production to lead to dramatic negative environmental consequences, I think the tools that we have through environmental land management I guess if sufficiently resourced through ongoing public finance should allow us to mitigate for any of those potential environmental issues.

Social…perhaps I’ve alluded to this already, I’m not convinced that that should be a primary objective of an agricultural or environmental policy. I don’t think that’s an efficient way of addressing that if government feel the need to intervene around those social objectives, there ought to be more efficient dedicated means and increasingly the proportion of rural communities that are genuinely dependent on the farming sector are smaller and smaller. That certainly is the case for England, although I admit the more remote areas of Scotland might have a difficult situation.

So I think I would be inclined to play down the extent that those issues that you’ve identified there would be something that can’t be mitigated for via a properly designed environmental land management policy or if government felt the need to supplement its existing social security arrangements, there are schemes in Ireland that have special dedicated social security payments for farmers and fishermen, and that could be a consideration, but that’s outside the realm of agricultural support.

I: That’s very interesting, the point you have raised because…and again I’m just saying a few of the comments that were about, let’s say, the social aspect, and indeed the contribution of agriculture economically, as through the produce of food primarily, it’s decreasing a lot, so economically it’s not the contribution so much in those rural areas. But when people were responding to that question, they thought that there are other multiplier effects that the farmers in those upland areas, they contribute because they buy…pretty much as a kind of tipping point, if for any reason the farming communities, the livestock farming communities, they go quite low, then all the industries, the service industries associated, either providing inputs or providing services or the slaughterhouses or the consultants, or the [inaudible] or whatever, all the other industries that farming communities are their customer, then there is a tipping point, that after a certain drop of the number of the farmers, there is no viability for them to have people working in more remote areas about that. So that’s one issue.

The other issue was the farming community contributes a lot in the social fabric of the rural communities, because it’s quite active organising things, you know. Usually a lot of social events is around organised by farmers or whatever, and another aspect is the farmer, because of the type of the work he’s doing, has to stay in the very remote areas. So there are a couple of examples where forestry in a particular valley, in a lot of forests was planted a lot of trees, then when the farms disappeared, pretty much the whole community there collapsed. So that was the comments I was getting related to that question. Only I’m talking about the social aspects.

R: I suspect that if there was a real concern about the tipping points in terms of rural communities, an intervention to stop the complete breakdown in those communities would be more efficient if it was made in a more targeted way than channelling it and hoping that a trickle-down effect via agricultural subsidies would sustain the local community. If it is done if the school is at threat, you could probably with less resources support the maintenance of that school, much more effectively than doing it more indiscriminately through area-based agricultural income support policies.

I think that would be my reflection and in similar ways I am conscious and have heard the argument before about a tipping point with things like abattoirs that can then make it unviable for that particular region and I wouldn’t be averse in those sorts of circumstances there being a role for government to support those downstream services, where it is demonstrated that they actually are vulnerable. But again, I’m not sure I’m convinced that those arguments justify the existing arrangements in the distribution of support.

I: Okay. I mean, because I’m getting so many different comments, it’s useful for me to pass those comments around so I get all the reflections of people and all the reactions and get a more balanced view, that’s why I’m doing that.

Okay, so my last question is we discussed about all the types of challenges and trade-offs and things like that, I wonder what changes you would like to see in order to make…obviously to fulfil more public goods, you know, that goal, but also making the upland livestock farmers more resilient?

R: I think in respect to the first, it’s hugely critical that an appropriate level of funding is maintained in support of those environmental public goods, so that public commitment to the policy along the lines of public money for public goods approach is absolutely central. I think in the latter respect, the onus will be on the individual farm business to gear themselves for the circumstances where their income support is no longer there. But I do accept and it’s certainly something that is a major theme of the plans from Defra in England is for a period of transitions, a seven-year period, which will act as the tapering off of the current income support and provide some assistance through investments in productivity. The way that those supports are made available could allow for them to be rolled up into a lump sum that could act as a potential retirement scheme or a means of investing in the business to become more resilient to future policy environment.

And as we discussed, those fundamental reassessments of their overall business, the sorts of things that [person 2] is doing with livestock farmers, I think would be very important to forge a path that would allow them to achieve a viable model that incorporates increasingly large stream of income from the delivery of environmental public goods and allows them to continue on.

I: Okay. So anything else you would like to add before I just finish, without any question from me?

R: No, I don’t think so. I’ve made a note of the points that I committed to follow up on, so I’ll try and patch those together in an email and get that off to you this afternoon.

I: Yes, thank you very much about that. [section deleted to maintain anonymity]

I: Yes, definitely, but usually I ask from people if they have any strong suggestion, this is the stakeholder you need to include. Because I’m trying my best to understand the case but, you know, still I am an outsider, it’s completely different from hearing the viewpoints of insiders and their suggestions. So thank you very much for all your time and I’m really sorry for first starting quite late and then finishing later than I promised but it was a very, very good conversation that eliminates a lot of things. In the summertime, we would like to first have Brexit and then we would like to organise some kind of scenario planning workshops, one of those might be in the Yorkshire area, so are you happy to be invited in any of those?

R: I would certainly be very interested to hear updates on your progress so please do yes, keep me in your circulation as to your work.

I: Okay, thank you very much for your time. I hope all the best for the new year and merry Christmas.

R: You too.

I: And all the best, thank you very much.

R: Thanks again, bye.

I: Bye.

**End of transcript**