Dream contract factsheet 5: North West England (UK)

Dream farming-landscape

Objective

People and communities are central to the farmed upland landscape. Communities and economies are vibrant and sustainable. Food, wood and other raw materials are produced sustainably. The land use helps to mitigate and reduce climate change by storing carbon and providing renewable energy from a variety of sources. Land management helps to minimise flooding, provides a reliable clean water supply and prevents wildfires. Ecosystems are resilient and natural processes adapt to large-scale change. Health and wellbeing benefits from upland landscapes and historic environments are valued and shared.

Vibrant farms producing livestock (for meat, dairy, wool) that they are able to sell at a price that allows them to make a living. Ideally independent from subsidies (recognising the end of the Basic Payment Scheme) but requiring the support from Countryside Stewardship schemes (AES). Recognising the importance of social cohesion, landscape, archaeology and biodiversity, water supply and carbon sequestration. Adequately integrating the commons and ensure commoners are paid for delivery of ecosystem services by the market as well as the state.

Enablers

- Stabilised soils: All eroding peat soils and blanket bog have been stabilised, wetted-up and vegetated. All other soils are managed so that compaction and erosion are minimised, and they can accumulate organic matter, and therefore carbon. Grouse moor managers, as owners of the majority of northern England's upland peat resource and heather moorland, have embraced the challenge of managing soil carbon resources sustainably and modified their management where appropriate.
- Sustainable grazing and burning practices on grouse moors create diverse vegetation structures and habitat mosaics.
- Grazing systems have different intensities, including cattle, sheep and ponies, and produce food as well as water quality, carbon stores, landscape and wildlife habitat. Minimised use of external inputs based on oil, and GHG-intensive fertiliser and feed.
- More and better managed woodlands, including mixed and conifer (commercial) forests as natural regeneration of remnant native woods, with improved connectivity
- Green energy with minimised impacts on environment and landscape, no longer reliant on fossil fuels
- Innovative land owners and managers including farmers, foresters, sporting and recreation managers, common land and nature reserve managers
- Cooperation across ownership and administrative boundaries; respectful and long enduring relationships between individuals and groups
- New markets for water and carbon

- Communities are supported by a broad mix of businesses like food and raw materials, tourism, recreation, sporting and game management, education, health, water, the arts, green energy and transport, conservation
- Sustainable consumers (locals and visitors) recognise and value the benefits from the landscape and reduce any negative impacts through their choices
- Upland education programmes for wider public, professional knowledge and innovative skills of farmers and land managers
- Rewards for farmers and land managers for provision of environmental goods and services
- Fair and transparent administration, good and regular communication

Inhibitors

- Insufficient budget allocated to support schemes and advisory services
- Price/cost fluctuations: when sheep price is high, environmental schemes cannot compete, it is more attractive for farmers to increase stocking density
- Engrained paradigm (in both farmers and administration) of AES paying for prescribed actions
- Desire for cost-effective schemes; monitoring perceived as costly
- Premise of voluntary engagement which limits coordinated/ landscape-scale management (pattern of land ownership/tenure, individual landowner motivations and social dynamics)
- lack of time and resources to dedicate to developing strong partnerships
- Commonplace use of short-term tenancy agreements is at odds with achieving longer term outcomes
- Disconnect between public and the natural & cultural heritage
- School curriculum no longer includes education about farming

Actors involved

Farmers, advisors and facilitators, agency staff, National Park Authority staff

Method used

Analysis of comments and feedback from stakeholder workshops (building on information from CIL and PIL meetings (Nov 2019/Feb 2020), qualitative interviews with 9 farmers (Jan 2021) who are taking part in the RBAPS pilot in Wensleydale, Yorkshire Dales National Park and documents (Vital Uplands: A 2060 vision of England's upland environment).

Dream contract

Objective

Payment by results contract, to initially focus on species rich hay meadows (biodiversity) and creating habitat for wading birds (supporting declining farmland birds) but with potential to broaden out to other targets. The contract would provide incentives to: i) reduce intensity of land management and compensate for the lower yield, ii) lower nutritional value of feed produced, and iii) include additional management activities (e.g., seeding wildflowers, maintaining wader scrapes).

Measures

This contract will not prescribe practices but leave the management decision to the farmer. Common practices include one cut for hay in late July, reseeding wildflowers or plug plants, spot spraying or hand pulling of unwanted plants (thistle, docks, nettles), rush cutting, non-repair of blocked drains, maintaining wet features such as ditches, scrapes and/or ponds.

Benefits envisaged

- Societal/environmental benefits:
  - Maintaining species richness (wildflowers) in hay meadows that disappear with frequent cutting for silage/haylage or higher stocking densities; reduced use of nitrogen fertiliser, reduced use of weed killers, reduced use of heavy machinery for mowing, baling, harrowing to reduce soil compaction.
  - There is a question around whether this contract needs more targeting to e.g., specifically valuable habitats (protecting existing) or to areas with potential (to develop to higher value habitat) or to areas with most natural and/economic constraints?
  - If possible: encourage smaller hay bales stored in traditional field barns which would enhance incentives to maintain them; incentivise or require maintenance of walls and hedges; involve volunteers from the local area in monitoring to enhance relationships and understanding of farming practices
- Benefits for farmers:
  - Compensation for the lower yield, lower nutritional value of feed produced, and cost of additional management activities and monitoring;
  - Increasing knowledge of species, habitats and natural processes.
  - (Marginal?) Cost savings on spraying, fuel.
  - Reducing plastic use.
  - Enhanced reputation among community/ society for delivering public good (Although this point is less tangible and fairly abstract, and may in some cases link to a loss of reputation among farming communities and cause disputes with neighbours/ family).

Application domain

- Farm types: upland livestock farmers with sheep and cattle (**Figure 1**)
- Land use: permanent grassland, hay meadows and pastures
- Land tenure conditions: mix of owner occupier (farmer owns land), leased land, common land

Contract duration

Ideal contract period: 5–10 years

Figure 1. Upland livestock farming in CIL North West England.

Actors

- Local residents and visitors benefit from enhanced natural and cultural heritage (farmland birds, wildflower species, pollinators; field barns; rare livestock breeds); this could even include reduced use of plastics (small hay bales rather than wrapped silage bales); local residents downstream benefit from flood mitigation through better soil management, infiltration, possibility of tourist tax
- Farmers: There is scope to support group cohesion among the farmers who are involved already via additional opportunities to meet up and exchange, perhaps tailored by sub-contract (i.e. beyond the yearly general meeting)
- Likely the Yorkshire Dales National Park farm team as advisors and supporting monitoring.
- Payment Management via Natural England(?)

Access to land

Not relevant for this case.

Payments

- Currently public funding only.
- Payment towards individual farmers.
- Payment Management via Natural England (?)
- Currently result-based payments only, exploring the combination with actions (although this has been seen as a return to the 'prescriptive' approach e.g., when there was too much emphasis on creating wader scrapes)

- Increments: Currently the result-based contract has 5 pay bands, this seems workable (Hay meadows £/ha 112, 186, 260, 334, 371; Waders 35, 69, 104, 139, 174). There is scope to explore the integration of actual nest/ eggs/ chicks hatched/ bird counts (many farmers were keen to see this indicator included); and testing the use of photographic evidence.
- There is also scope to integrate a bonus for farms who have maintained x% of their dry stone walls and x% of field barns in good condition (need to check to how many farms this would be relevant, or when it may be justified to make this a condition of entry)
- Can the maximum payment be higher than compensation for income forgone and costs?

Monitoring

- Results will definitely be monitored as they are the basis for payment. For the pilot, the monitoring of management practices can be useful to identify the links between management and outcomes, however, it also requires more resources (currently not decided yet).
- For hay meadows the results are based on the presence of particular plant species along a transect survey line across the Agreement Land and an overall assessment of whether the Agreement Land has been affected by damaging activities. During the survey the assessor will record the presence of positive species (flowers and grasses typically found in traditional hay meadows) and negative species (undesirable species such as common dock and cow parsley). Each species is given a points score (positive or negative value) and the individual scores are then added together to give a total. Timing: before hay is cut and majority of plant species are in flower, i.e. late June to late July
- For the waders the results for breeding wader habitat are judged by assessing vegetation height, cover of rush, extent and quality of wet features and the extent of any damage to the sward from poaching, machinery movements etc. Timing: May to early June.
- Currently the farmer and advisor (and very limited external volunteer monitoring). There is scope to see if volunteer monitoring can be extended and used to build relationships between farmers and locals?
- Likely the Yorkshire Dales National Park farm team as advisors and supporting monitoring. Payment Management via Natural England(?)
- Explore drone or other photographic evidence for rush cover or wetness?
- Will there a third party that controls the monitoring body (e.g., an accreditation body, an independent public body, etc.)?