Policy Report: Farmers and food businesses reflect on Brexit

What next for UK agriculture amidst the confusion and delays?

Despite the endless renegotiations in Brussels and rounds of voting in Westminster, the United Kingdom’s exit from the European Union has yet to be settled and we now have a further extension to the 31st October. The Sustainable Food Trust spent the six months leading up to Britain’s planned departure date from the European Union listening to the concerns of farmers regarding the uncertainty over Brexit and to get a sense of their views on the UK leaving the EU. As talk of transition, hard borders and ‘no-deal’ spread we wanted to know how they felt about the coming months and years. What threats and opportunities do they see in our departure from the single market? Has their perspective changed since 2016? What specific issues are their businesses facing, and what has the UK Government done to address those concerns?

With Brexit negotiations set to continue for another possible six months, these questions become increasingly significant. But as chaos continues in Westminster, food producers and farmers are no closer to understanding what their future might look like. We have gathered together the views of nine different farmers, growers and food businesses to hear their thoughts and experiences. We consulted a cross-section of different sectors and regions to provide as balanced a view as possible. Having carefully considered what they said, the Sustainable Food Trust has provided some reflections based on our own concerns and our position on the debate around the future of UK food and farming after Brexit.

Arable farmer, Peter Lundgren

Peter Lundgren is an arable farmer in Lincolnshire and a campaigner for an environmentally sustainable and financially viable future for UK farming. Peter campaigns for a moratorium on the growing of GM crops and has recently published a report for Friends of the Earth on pesticide reduction and the drivers and barriers to adopting integrated pest management in the UK.

“Radical change is always a worry – especially in farming where the seasons roll past at the same steady pace regardless of how much our personal lives speed up through the use of IT and communications. My biggest concern is that farming post-Brexit may look very similar to farming under the CAP – a sort of CAP mark 2. From my point of view the CAP has been immensely damaging to farming, the rural economy, food quality and the environment; however, I’m hopeful that the Agriculture Bill will help reverse that damage, not least by doing away with the iniquitous area payments – where landowners receive public funds regardless of how they farm the land, which has resulted in agricultural land being tied-up as landowners are financially incentivised not to sell. This has led to a situation where it’s almost impossible for young people and new entrants to get a start in farming.”
The CAP may have delivered copious amounts of food but at what cost in terms of food quality, animal welfare, human health, the rural economy and the environment? I’m not one of those farmers who believe my job is to feed the world – especially not with food produced to the lowest unit cost so that others in the food chain can add value and profit. My job is first and foremost to feed my family; but also, to produce safe wholesome food to the highest welfare standards, support a vibrant rural economy and enhance the environment.

The CAP has taken farming to a dangerous place where it is divorced from consumers and yield is king, regardless of the negative impact on the environment and society. I’m hopeful that the Agriculture Bill will enable UK farming to step off the CAP productivity treadmill, reassessing the future we all want for farming and the countryside, and supporting farmers to deliver that vision.”

Chief Executive of the Soil Association and organic farmer, Helen Browning

Born and brought up on the family farm in Wiltshire which she runs today, Helen is also Chief Executive of the Soil Association and has served on the Curry Commission into the Future of Farming. She remains first and foremost a farmer and was awarded the OBE in 1998 for services to farming. Helen knew from an early age that farming was for her, she told her father she wanted to be a ‘proper farmer’ aged just 9. In 1986 by the time she was 24 her father had passed the reins on to her and not long after, she began the journey converting Eastbrook Farm to organic.

“The CAP has been a straight-jacket in many ways, so one of the few good things about Brexit is that it’s opened up opportunities and new thinking about the future of farming in the UK. There are some game-changing ideas that have the potential to transform farming and land use after Brexit. Of course, I’d also like to see much stronger support from governments for organic food and farming, given its potential to help with so many of the challenges we face. Other countries are way ahead of us in encouraging and endorsing organic production and consumption, so the UK should aim to catch up fast!

Secretary of State Michael Gove has been very clear that he wants to support farmers to deliver public goods post-Brexit, and I agree that the creation of environmental ‘markets’ to reward farmers who are sequestering carbon, improving soils, reversing the decline in wildlife, and providing public access to the countryside would be a big step forward. The priority must be ensuring that farmers are supported to adopt practices and systems that nurture soil health, given that this is the foundation stone of the health of plants, animals and mankind. In addition, I would like to see farming for the public’s health being supported too, alongside shortening the often circuitous route between farm gate and the consumer’s plate, to allow fresh, minimally packaged food be available for everyone. But I sense that there is still a battle to be won with the Treasury, who may not see the importance of investing in these crucially important issues, when everyone wants more money for everything. The case needs to be made that investing in the right kinds of farming and food systems will pay massive dividends to society and save money for governments in the longer term.

That said, a major concern for me remains a no deal Brexit and the impact that would have on organic businesses and their ability to export to the EU if the UK is not recognised as a third country. Any gap in their ability to trade with the EU could prove hugely damaging to their businesses. Brexit also poses risks from low
quality imports flooding the UK market that could force a race to the bottom if UK farmers are forced to compete against cheap imports. Sustainable food and farming needs stable but dynamic supply chains and, although the organic market is flourishing now, future growth depends on resilience and an ability to both plan and also to react to new tensions and challenges. Building resilience by re-localising food supply chains and improving efficiency, cooperation and transparency should be a priority not only in the context of Brexit, but also to mitigate climate impacts.”

Cumbrian dairy farmer, Robert Craig

Robert Craig and his wife Jackie have four teenage children. The Craig’s operate three dairy farming businesses farming around 2000 acres with almost 1500 cows across the North of England in Cumbria and Northumberland. Taking the less conventional route towards modern dairy farming, Robert operates a grass-based farming system grazing cows for 270 days of the year. A 2012 Nuffield Scholar, Robert travelled extensively studying global food chain sustainability. Robert is a director of First Milk, the member owned dairy cooperative, and also a trustee of The Royal Association of British Dairy Farmers and The Angus McDonald Trust.

“My main concern is that the leaving terms [of Brexit] may prevent the current UK Government from being as radical as it needs to be. Trade agreements, although needed to protect some sectors, could mean future domestic policy is less effective in delivering the change needed [in our farming system] while also making subsidised imports more attractive. It’s very concerning that many prominent members of the Cabinet still see one of the great benefits of Brexit as the opportunity to ramp up the imports of cheap food even though we’re still not clear what the final deal will look like or even if there’s going to be a deal at all. Secondly with almost full employment in many rural areas, my concern would be the availability of labour and the absence of young people entering the industry. This is already a huge barrier to many farming and rural businesses and the uncertainty Brexit brings is only increasing these problems.

Brexit, of course, offers many great opportunities to British farmers which together could drive a very different, more sustainable [and] more productive agriculture in the future. The opportunity for British agriculture is to reengage with our consumers, telling the story of local, sustainable and valuable food production rather than the race to the bottom – the economies of scale model we’ve grown weary with, driven by the CAP. We must grasp the opportunity to develop a clear vision for the industry which would focus on educating society, restoring pride in farming and food production and which would see consumers value food for its provenance and its nutrition over its price and convenience.

Sudden changes in support payments could have a devastating impact on certain sectors of UK agriculture. I don’t think government appreciates that upland livestock farmers are totally dependent on the combination of support payments and export markets; the loss of either could lead to a very rapid and dramatic restructuring of these sectors. It is essential that farming businesses are given time to adapt and transition to any new support scheme. Rapid implementation would only result in the UK becoming even more dependent on imports, while exporting the problems associated with cheap industrialised food overseas, where we have little influence over production and farming methods.
It’s essential we halt and reverse the relentless drive to deliver cheap, valueless food. Decades of cheap food policy leaves primary producers with few options other than to adopt the intensification of farming systems. Large-scale marginal intensive agriculture generates huge external (yet hidden) associated costs which consumers never associate with the cheap food they’re buying and consuming. We have to find a way of educating consumers and accurately calculating these hidden costs and incorporating them into the price of food. Only when we start doing this we can begin to stem the already huge and rapidly increasing associated health costs caused by poor diet and nutrition following decades of cheap food policy.

Already Brexit has affected many farming businesses as well as the wider food processing industry. The uncertainty surrounding future trade agreements along with the lack of clarity about both the amount and detail of government support schemes, has had a negative effect on the confidence and progression of the industry. Undoubtedly, some sectors will be worse off post-Brexit. Export opportunities and support payments are crucial to some sectors more than others. The dairy industry may fare reasonably well with an already sizeable trade deficit, whereas upland sheep farming could see significant restructuring if both trade and support goes against them. I hope the UK depends less on food imports in the future – but I fear much of this will depend on the vision of who’s in charge of policy and how much society values domestic food production.”

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Dairy and arable farmer, Haydn Evans

Haydn Evans is a dairy and arable farmer from Wales. Haydn farms 97 hectares with his wife Janet and son Stuart. The farm is principally focused on dairy production, with 100 cows supplying milk to Rachel’s Dairy in Aberystwyth. The milk is used for the manufacture of yogurt. The cows are a mixture of traditional breeds – British Friesians, Dairy Shorthorns and Ayrshires. In addition to chairing the Soil Association’s Farmer and Grower Board, Haydn also acts as a farmer member of the Agricultural Land Tribunal.

“At this juncture, nobody knows what type of Brexit will be negotiated. At best, it’s a continuation of current trading practices. At worst, it’s a reversion to WTO terms, if there is no deal. However, we already know that subsidies are going to change once we leave the EU. I would like to see more bespoke support systems with less regulation and more opportunity for innovation and investment that allows the rural economy to thrive. There has to be policy provisions to mitigate shocks to the market and reduce volatility. There needs to be accountability across the entire supply chain to ensure fairness and transparency. All in all, we need a farming policy that ensures agriculture continues in a profitable manner – while meeting its environmental obligations – and is able to compete on a fair basis with imports.

The concerns of how Brexit will impact food and farming are especially important for Wales. Farming is the cornerstone of the £6.9 billion Welsh food and drink sector, which is the biggest employer in Wales, with approximately 240,000 people working within it. Welsh exports are valued at £337 million and the gross output of agriculture in Wales is valued at £1.6 billion, so a poorly constructed agricultural policy will have ramifications throughout the supply chain and across the entire economy of the country.

There is great concern about cheap foreign food flooding the UK market post-Brexit. With a predominance of permanent grassland in Wales, we are quite concerned over the potential impact to livestock sectors, as
well as for horticulture. Neoliberals in the Government will want to source food from the cheapest places in the world to obviate any short or long-term supply problems, in order to meet food security obligations. This could mean a flood of foreign food produced to lower standards coming into UK supermarkets and undercutting UK farmers, who already produce on tight margins.

That said, one potential impact of Brexit is that the British pound could weaken, making foreign imports more expensive. This would provide UK producers an opportunity to increase their share of the market since the relative price of UK fruit and veg would drop. However, import displacement could only be achieved if UK producers were in a position to capitalize on the shifting market dynamic. If they didn’t have access to adequate labour, for example, they wouldn’t be able to increase production to meet demand. In my opinion, the biggest concern facing the horticulture sector would be sourcing sufficient labour post-Brexit. If a lot of EU workers leave, it will present a serious challenge. Currently, 75% of seasonal labour in the horticultural sector is recruited from Romania and Bulgaria. If the Government does not introduce sufficient provisions to guarantee labour, we could see a lot of produce being left in the fields. Other sectors within food and farming would also be negatively impacted by a decline in labour. Abattoirs and packing houses are heavily dependent on foreign labour – 85% of the vets that are employed in approved meat establishments are non-UK nationals and 63% of workers in red and white meat processing plants are from countries within the European Union.”

Estate Manager at Waddesdon, Garth Clark

Garth Clark assumed the role of Estate Manager at Waddesdon Estate in June 2018. The Waddesdon Estate was purchased by Ferdinand de Rothschild in 1874. Garth and his team at Waddesdon are responsible for managing the farming operations on 1150 acres in the Fens, near Whittlesey and 5550 acres in the Aylesbury Vale. Garth worked on estates in Scotland, the Cotswolds and Kent, building on his formative years in practical agriculture. His different insights and experiences assist him to consider approaches beyond the more traditional methods of estate management. His organic farm experience provided him with a unique opportunity to develop a better understanding of sustainable farming, the economic production of crops and how the health of the soil is intrinsic to the survival of a farming business.

“Being the new incumbent has allowed me to step back and have an outsider’s perspective on what the next few years might look like at Waddesdon. The implications of Brexit will have an enormous impact on all our operations. If the financial impact is severe – as many of the reports suggest – then our ability to refocus, review, investigate alternative income streams, seize opportunities and diversify, will, I believe, be fundamental to the continuing success of the estate.

Our farming operations can no longer just be about mining resources in the name of productivity; they should be about rebuilding the real value of our land, soil, water and air, regenerating and fostering natural systems that provide nourishment at every level. Healthy soils are at the core of how I envisage our farming system – healthy soils mean healthy plants, healthy animals and healthy humans as well as less flooding, cleaner water and cleaner air. These are the natural assets we have to trade, in addition to the better food we will produce.
Once we have crystallised our baseline data and understand the true position of our most valuable asset: our soil, we will be working with people like the Sustainable Food Trust and Sectormentor to monitor our soil health. We can then learn what works, as we farm in a way that allows us to be robust and respond to external pressures while remaining agile. We must not assume we know what is best, but monitor and measure our impact as we go, so we don’t look back in ten years and wish we had done things differently."

**Farmdrop Founder, Ben Pugh**

Ben Pugh, founder and CEO of Farmdrop, the “ethical grocery store” that delivers high-quality food direct from local producers to consumers across London. In 2012, Ben spotted an opportunity for mobile technology to cut out the middlemen of supermarkets and wholesalers from the food supply chain, and in doing so give a better deal to both farmers and consumers. Their sustainable sourcing policy provides information as to exactly how Farmdrop manage to “keep it local”, “put animals first”, support sustainable land stewardship practices and pay farmers a fair price.

“I firmly believe that the clock is ticking on the industrialised, factory model of farming. It is destroying the natural resources that it has relied on for so long to maintain its profitability. If there is one silver lining from Brexit, it is that it is has given the UK a once in a generation opportunity to completely overhaul the way we regulate and subsidise farming in Britain.

To say that the current subsidy system is archaic would be a gross understatement. British farmers receive around £3.2 billion in subsidies but the vast majority of that money does not support sustainable or higher animal welfare production – only 3% of UK agricultural land is organic and a quarter of all cropland is used to produce livestock feed. Payments under the existing Common Agricultural Policy (CAP) are based on how much land is owned. Not only does this reward large landowners (recipients of the subsidy include the Duke of Westminster, the Queen and a Saudi Prince), it also means that we are using public money to subsidise the production of factory farmed food.

Post-Brexit, I am worried about the potential scope of new free trade deals with non-EU countries. As with TTIP, those of us who care passionately about the quality and provenance of food will need to pressure the Government to make sure that free trade with the rest of the world does not mean importing poor quality food through the back door. This needs to be included as a key consideration in the Agriculture Bill.

Another big change is that Brexit has significantly lowered the value of the pound, which is making agricultural imports more expensive. If this encourages more retailers to source food locally then great, but my big concern is that it will just accelerate the practice of ‘optimisation’ in processed food. The supermarkets’ high volume, low margin business model means that when prices rise, the supermarkets bring in the food consultants to reformulate the products with higher levels of sugars and other chemicals to keep food prices down while preserving its so-called ‘mouthfeel’.

But I don’t want to moan! I’ve never been more optimistic about the future of UK agriculture. At Farmdrop, we are showing that with mobile technology you can put the power back into the hands of sustainable food producers, where they can seek more profitability and allow consumers to access their food at lower prices.”
Farmer of Higher Hacknell Organic Farm, Tim Budden

Since 1988, Tim Budden and his wife Jo have been farming cattle, sheep, crops and a cider orchard organically. The 350 acres are mostly grassland, a combination of permanent pasture and lush clover leys, upon which they rear their livestock. Tim and Jo farm in a traditional way, using rotational methods to prevent pests and disease and provide a clean, healthy system which avoids the use of agrochemicals and antibiotics. Their animals are slaughtered at a local abattoir and in 2004 they built a butchery, providing them with complete supervision over the process of rearing and processing to improve provenance.

“My biggest concerns about Brexit and its effects on agriculture in the UK are for the environment, mixed family farms and local food. Whether or not the UK Government is prepared to support British farmers when we leave the EU is a serious concern. Unfortunately, the UK is largely an urban society that seems to understand less and less about rural issues. The value of local, sustainable unprocessed food has been devalued. Consequently, our land, the farmers and their value to the wider economy is not appreciated. Lobbying by NFU and large land-owners on one side, and well-funded conservation bodies on the other, creates a vacuum for the yeoman farmer in the middle. For many years we have talked about ‘efficiency’ and ‘economies of scale’, and yet it’s the largest farms we support with the most subsidy.

Future trade deals that sacrifice UK farmers who farm to higher standards are particularly worrying and could represent a backward step for animal welfare. Cheap imports produced to low standards, will put UK farmers out of business. Whist we have heard about the good intentions of Government to support sustainable farming and wildlife, when we leave the EU, pressure from other areas of government such as health, education and trade – which historically take precedence – is likely to mean British farmers have to take a back seat. We are preparing for this – just as we have faced many threats over the years – by direct marketing and low-input farming. Further, when consumers become concerned about lower food standards, organic certification is a valuable asset.

My priority for future UK farm policy is the importance and interconnection of food, environment and culture to which the farmer is central. Past policy has seen the demise of millions of farmers and we are now becoming as scarce in society as the wildlife that is so lacking in our arable fields. Many well-intentioned people quite rightly see the rise of factory farming and meat consumption as bad. Yet much of their diet is imported from less than desirable farming systems, on the other side of the world. Negative press towards meat production may mean that people move away from largely grass-fed red meat and opt for fish and chicken which have higher environmental costs. This hugely effects UK farming and smaller family farms that tend to be more livestock-based and mixed. It’s these farms that are in need of support.

There are huge opportunities to get agriculture right with Brexit. I have always believed in the ‘small is beautiful’ maxim. There is now potential for more regional projects and UK-specific issues to be addressed, as for instance, increasing the quantity of home-grown fruit and vegetables which are currently imported. This could be helped by putting caps on payments to large and potentially polluting holdings and weighted towards smaller units that produce healthy sustainable food and are carbon friendly. It is beholden on Government to provide healthy food with a low carbon footprint and a thriving environment both for wildlife and people.”
Nathan Richards runs Troed y Rhiw Organics, a small mixed organic farm with a focus on horticulture. The farm’s ethos is built around a belief in the necessity of farming sustainably in the 21st century. Focused on ‘hyper’ local food, it serves the immediate community through a box scheme, producer’s market and retail outlets. Nathan sat on the steering group for the Soil Association’s Future Growers apprenticeship programme, and is keenly interested in supporting new entrants into farming, ensuring it remains a viable profession. He currently sits on the Soil Association’s Farmer and Grower Board.

“As a small-scale grower in the UK, I think I have a somewhat different perspective. We’re not so worried about the increasing cost of imports – it could help people realise the value of a relocalised economy for British produce that can compete better against the globalised food supply chain. But the prospect of rising inflation and interest rates if we crash out of the EU without some kind of agreement, is scary – we have a large business loan on the farm and we just about manage to pay it every month. And that’s not to mention the potential chaos that such a Brexit would inevitably bring.

The Welsh Assembly Government does appear committed to Environment Secretary, Michael Gove’s lead – to create a more sustainable food system for the country, basing subsidies on good environmental practice. This is bolstered by the Wellbeing of Future Generations Act, which is remarkably forward-thinking. The tiny ray of hope in the Brexit fiasco, is that it might open the door to a better way of farming which protects the environment and feeds people actual fresh food again.

There is a perception that Wales isn’t a place where vegetables are grown – while there is production on the Welsh borders, it’s certainly not as widely recognised as a horticultural centre as the east of the UK is. There is increasing awareness of the importance of growing in Wales with initiatives like Tyfu Cymru to support commercial horticulture and Peas Please encouraging children to eat vegetables. We run a vegetable box scheme and it’s really eye-opening in terms of understanding people’s veg consumption. We have very loyal customers, but we also have a lot of people who join for a few months and then drop off because they can’t hack eating a lot of veg. This needs to change since the rise of obesity, particularly among children, can only be addressed by better, healthier eating and more activity and that really needs to be at the forefront of policy.

I really feel that we have to re-visualise a credible food system as comprised of small parts – including farmers and growers with under 5 hectares of land. The days of monocropped big agriculture must end; we have to return to good mixed rotational farming practice and take a holistic agroecological approach to farming which cares for all the flora and fauna on the farm as well as what we grow. Post-Brexit, there could be a lot more room to build local food economies that not only feed people, but also offer quality local employment. We have always committed to training the next generation of growers in part to fill the skills gap in organic horticulture production in the country, and so have offered paid apprenticeships. Because to my mind, if we become a society that has forgotten how to produce its own food, what are we?”
Grower at ValeFresco, Nick Mauro

In 2006, two family horticulture businesses, V&S Pilade and G&G Mauro, merged to create ValeFresco. The company primarily produce lettuces such as endive and cos and grows Asian vegetables like pak choi. They harvest over 400 tonnes of salad every week. Today, Nick Mauro runs ValeFresco with his brother and cousins, maintaining the next generation of the family business established by Giuseppe Mauro and Vito Pilade who came to the UK from Sicily in the 1960s.

“Unfortunately, my biggest concerns about Brexit and its effect on horticulture are that the UK Government is not doing enough to help farmers. We need DEFRA and Michael Gove to help support UK agriculture to increase production in order to meet the growing demand for UK food. Farmers and growers are constantly battling with red tape and held up by bureaucracy, which doesn’t allow us to progress and grow our businesses. While this creates a serious challenge today, I’m worried that it will be even worse after Brexit. If resources are limited, will the Government be able to maintain the funding levels? Gove has assured farmers that funding levels will remain the same until 2022, but what then? And if we lose subsidies, we will have an even bigger issue. However, there is so little information about what the post-Brexit landscape will look like, and what trade deal might be agreed, that it is impossible to prepare. The reality is that we can’t prepare for Brexit because we don’t know what to prepare for.

I’m not confident at all that the UK Government will be sufficiently prepared to support the British horticulture industry when we leave the EU – which is really worrying to me as a producer. I’m worried that without being sufficiently prepared for the reality of Brexit, there will be a serious risk to the agri-food supply chain in the UK. If we aren’t better prepared, there could be empty shelves in the supermarkets for weeks and weeks.

I have three main priorities for the future of UK food and farming. The first is to cut the red tape. There is so much paperwork and it slows everything down and ties everything up. The Government needs to make it simpler for farmers and limit the burden of bureaucracy. Second, the Government needs to help farming increase productivity, so that we can produce more food in the UK. This could be through innovation funding, R&D, non-interest loans and increased farming education. Lastly, I want to see local authorities make necessary changes to planning regulations to make it easier to attain planning permission for agricultural buildings. It’s too slow and lengthy at the moment and that needs to shift if we want to improve the future of farming.”
Upland farmers, Andrew and Seonag Barbour

Andrew and Seonag Barbour run a herd of 50 suckler cows and about 400 sheep on their 540-hectare farm, Mains of Fincastle, in the Scottish uplands. The farm is a few miles to the north west of Pitlochry and sits at over 1000 feet above sea-level. Eighty percent of the farm is under rough grazing, which is classified under the Natura 2000 designations, thanks to the underlying limestone and associated plant communities.

“We don’t know what Brexit means for us. Uncertainty is the name of the game. So, is the glass half full or half empty for us folks farming in the uplands? The glass is not just empty but broken to boot; it is the vision of a trade deal with the US letting in food with low standards of production. This is clearly a Trump aim and part of Mr Fox’s vision for Brexit. It’s unlikely we will survive that nightmare scenario as livestock producers in Highland Perthshire. Throw in austerity at home and we might as well retire now. Cheap food comes at a price.

That’s the gloomy view. But could the uplands light up with Brexit sunshine? On the face of it, the new Agriculture Bill could be good news for us, working extensive livestock systems in semi-natural habitats, where a wide range of native grasses and herbs are maintained by livestock grazing – ‘high nature value’ farming as some call it. But what depresses us is that, once again, the environment is seen as something separate from production with all the likely perverse consequences that this way of thinking brings – commercial food production may concentrate and intensify in the low ground areas where it can survive without support, leaving the uplands to be ‘rewilded’, abandoned in the delivery of other ‘public goods’ that don’t require active farming.

Brexit does offer the opportunity to reshape farming support, to build a more resilient, ecologically-sound farming sector, but it doesn’t look like we are heading there, from what Mr Gove says. We made changes some years ago to run a more extensive system than we previously did, which fits in with the environmental management issues. So, we are in theory well placed to deliver on Gove’s agenda. We are constantly trying to improve efficiency, and we are trialing a selection for more single lambs (this is achieved by putting the rams out later when the ewes are in poorer condition and less likely to bear twins) in response to concerns about the collapse of the lamb market.

However, the UK isn’t a unitary state when it comes to farming support, though it is regarding trade policy. What path will the devolved administrations follow (or be allowed to follow)? Our hope is that here in Scotland a more enlightened approach might be taken, one based on a sound food policy which then informs a land-use policy. But we are not holding our breath.”
Sustainable Food Trust’s Response

All the farmers, growers and businesses expressed concerns over the future of the UK’s relationship with the EU and how it might impact their businesses. We can completely sympathise with that position. When reading through their responses, we were struck by common questions in all the interviews over:

- economic risk
- future agriculture policy
- international trade

We have addressed those three concerns first, before delving into some of the other issues raised including:

- public health and cheap food
- agricultural labour
- climate change
- supply chains
- horticulture
- uplands

Economic Risk

The concerns that both Gareth and Peter expressed about how farmers plan and adapt their business models to meet the coming changes in our trading relationships with the Continent are legitimate concerns, especially since there are so many potential outcomes to the negotiations. While a localised business model (such as Nathan’s) is certainly less exposed by the UK’s exit from the EU, there is still a risk that his business would be seriously impacted by a no-deal Brexit, despite the focus on local markets. If the UK exits the EU without an agreed deal, the damage to the national economy will be wide-spread and will impact the entire economy, and particularly the food and farming sector.

This was reflected in the UK Government’s report ‘Implications for Business and Trade of a No Deal Exit on 29 March 2019’ which said that “In the absence of other action from Government, some food prices are likely to increase, and there is a risk that consumer behaviour could exacerbate, or create, shortages in this scenario. As of February 2019, many businesses in the food supply industry are unprepared for a no deal scenario”. This doesn’t take into consideration the long-term market impact that could result from changes to trading relationships and Government support mechanisms. This kind of volatility in the market and unpredictability in the future of Government subsidies presents huge risks. That is why the SFT has been advocating that post-Brexit agriculture policy should provide long-term commitments on spending levels and clarity on policy priorities (such as water quality, biodiversity and soil health) so that farmers are able to plan for their businesses.
Post-Brexit Agriculture Bill

Similar to Ben, we believe that our departure from the European Union offers the opportunity to rethink how we support farming. One of the key provisions of the Agriculture Bill that is currently moving through the House of Commons is the phasing out of area-based payments. Area-based payments, which make up Pillar I funding under the EU’s CAP, have come in for widespread criticism in recent years as Ben rightly pointed out. Most of the money has gone to large landowners, and the payments have been available to all farms regardless of their production methods. While the SFT accepts that the mechanism of area-based payments under the CAP is flawed, we maintain that there is value in area-based payments since it is essential to bring about a systemic shift towards more environmentally sustainable farming methods. It is our position that some practices are applicable on a field scale, some on a whole farm scale, and some of a more tailored stewardship nature. Together, this would ensure a systemic, rather than piecemeal, adoption of more sustainable farming practices. If the new Agriculture Bill adopts a policy that encourages greening only the edges of fields and results in isolated areas of good practices within continuing deserts of intensive agriculture, we will not achieve the systemic shift in farming that is needed to reverse the catastrophic declines in wildlife and other aspects of natural capital.

In order to rectify this dynamic, the post-Brexit Agriculture Bill should aim to create a system that recognises the true cost of food production and adopts a whole-farm approach to integrating efficient and sustainable food production with practices that enhance natural and human capital. We believe that a sustainable food system would be most effectively delivered through a support package based on land area, ideally on a whole farm scale.

Through the new Agriculture Bill framework, the UK Government has the opportunity to create the economic conditions where farmers are financially supported for adopting sustainable practices, which can then emerge as the most profitable and economically-viable way of producing food. Through innovative policies, we can achieve the systemic shift towards more sustainable farming methods. We need to unlock the barriers to change and encourage farmers to adopt agricultural practices that serve the public interest, in terms of their impacts on both the environment and public health, through the creation of a food system that produces food in a genuinely sustainable way.

To this end, we welcome the Government’s proposed Environmental Land Management Scheme (ELMS). This will be able to fund multi-annual ecosystem projects, will allow farmers and growers to deliver public goods more effectively and will ultimately improve the outcome of farming practices that benefit the local ecosystems, such as beetle banks. Many farmers like Peter have made a conscious decision to produce food to the highest welfare standards while enhancing the environment. ELMS could help encourage other farmers to adopt similar aims.

Just as Garth employs soil testing to monitor the health of his soils, Defra should require all farmers to submit on-farm data that could feed into an annual sustainability assessment. This assessment could be used to demonstrate eligibility for Government support and to enable the delivery of public goods effectively by helping to understand and monitor successes and failures.
This assessment would go beyond soil health alone. For the assessment to be comprehensive, there needs to be a blend of specific targets, proxies and hard data collection methods, covering (but not limited to):

- Soil microbial life
- On-farm educational courses for new entrants and apprenticeship offers
- Acreage of forage legume crops
- Levels of on-farm biodiversity
- Quantity of agrochemical application
- Hedgerow mileage and quality
- On-farm nutrient cycling
- High welfare management of livestock
- Cultivation of heritage and local breeds
- Greenhouse gas emissions
- Water infiltration rates
- Antibiotic use

The reporting of farm data would give the Government a better understanding of the national situation for each specific public good (such as biodiversity or net carbon emissions) and allow for more targeted interventions to help meet stated goals. Furthermore, farmers could benchmark themselves to show that they are delivering on their commitments and provide evidence of the improvement. Farmers should be encouraged to increase their environmental commitments progressively, since all farms could become more sustainable, and an annual sustainability assessment would provide the necessary information and incentive to improve.

**International Trade**

That said, Robert’s concerns about the future of UK trade deals highlights an issue that could make most UK agriculture economically unviable regardless of any reform that Defra and the Secretary of State want to put in place. No matter how well-designed and environmentally-minded the Government’s new Environmental Land Management Scheme is, a free trade deal with non-EU countries (such as Australia, the United States or New Zealand) could undermine these gains. By allowing cheap food produced to lower standards into the UK, farmers will be undercut and unable to compete on a fair and level playing field. If UK producers are placed at a competitive disadvantage, some will be driven out of business, while others will be forced to drop standards in order to bring down costs and remain viable. Such a move would have a deleterious effect on public health and prove disastrous for British wildlife and the wider environment by tipping the scales away from sustainable agroecological farming systems. We need to ensure that in any future trade deal – whether with Brazil, the US or even the EU, the Government has adequate checks and balances in place to guarantee that any trade deal maintains the highest standards. We feel it is essential as a civil society organisation, to raise questions over regulatory standards, in order to ensure that a future trade deal remains fair and safe.
Public health and cheap food

Robert is entirely right in his position that we need to halt and reverse the relentless drive to deliver cheap and valueless food. With rising obesity and a crisis of non-communicable diseases, it is critical that society begins to examine how diet impacts public health and how we can support farmers to grow healthy foods for healthy diets. Those who pollute ecosystems and degrade public health do not pay for the damage they cause. Conversely, those who farm more sustainably have to cover the higher cost of producing food in more beneficial ways. If the UK Government introduces and successfully implements a suite of sustainable farming policies to transform UK farming, in order to deliver a sustainable and healthy future for the food sector, the UK could become a beacon for others to follow.

This has to start with acknowledging the externalities that result from an industrialised farming system. Through our work on the true cost of UK food, the Sustainable Food Trust has been demonstrating the substantial externalities that are involved in industrial food production. Through our research, we found that for each £1 spent on food in the shops, consumers incur extra hidden costs of £1 to public and planetary health. These extra costs are not paid by the food businesses that cause them, nor are they included within the retail price of food. Instead they are passed on to society in a range of hidden ways – meaning that UK consumers are, in effect, paying twice for their food.

The current business model of farming often means that farmers have no option but to employ agricultural practices that do not serve the public interest in terms of its impacts on environment and public health. Through the new Agriculture Policy framework, the UK Government has the opportunity to create the economic environment where farmers are financially supported for adopting sustainable practices. We need to create a system that recognises the true cost of food production and adopts a whole-farm approach to integrating efficient and sustainable food production with practices that enhance natural and human capital while instituting a strong polluter pays principle.

Agricultural Labour

As Nick highlighted, the food and farming sector relies on migrants for critical jobs such as picking soft fruit and harvesting vegetables. Around 20% of all regular full-time employees in agriculture are thought to be foreign nationals. However, in some food and farming sectors the reliance on foreign workers is much greater. Approximately 40% of staff on egg farms and approximately 50% of staff in egg packing centres are EU migrants. Haydn is correct to highlight the importance of EU nationals in slaughterhouses. Almost 70% of workers in the meat processing industry are European citizens. Despite this there are thousands of vacancies in UK slaughterhouses. This, however, predominantly applies to the largest abattoirs that slaughter for supermarkets rather than the small-scale abattoirs the SFT is campaigning to protect, which are critically important for the future of local and more sustainable meat production. These rely on skilled local labour rather than unskilled migrants. Small abattoirs are, though, equally dependent on foreign vets who make up the vast majority of the official veterinarians in abattoirs. Previously, countries like Poland and Portugal dominated UK agricultural labour, but today the majority of low-skilled workers are from Romania and Bulgaria. While termed ‘low-skilled’, the work requires impressive dexterity and incredible speed. It is demanding, repetitive work that necessitates long hours and unfortunately has a high injury rate.
Just as it is for Haydn, the impact of Brexit on agricultural labour is a major concern for the SFT. Without adequate provisions, there will not be enough labour to meet the demands of the agri-food sector. Restricting access to workers would undermine productivity and damage businesses since foreign labour is essential in all steps along the supply chain, from low-skilled pickers to delivery drivers. The EU Energy and Environment Sub-Committee in the House of Lords highlighted the need to guarantee the supply of EU labour, warning that the “entire food supply chain will be adversely affected by any loss of access to that labour pool”. That is why it is essential that the Government resolves issues over the freedom of movement to ensure that farmers and growers have ready access to the workers that they need to maintain their businesses and the UK supply of meat, eggs, fruit and vegetables.

However, the UK might need to consider a more long-term solution. According to the 2016 NFU Seasonal Labour Provider Survey, 60% of labour suppliers to the horticulture sector were already unable to meet the demand. Understanding that shifting EU attitudes towards the UK, the oscillating GBP: EUR exchange rate and the growing economic success of Eastern Europe, has led to a decline in interest in seasonal UK work, British gangmasters will need to consider other sources of labour in the future. By re-instituting the seasonal agriculture workers scheme (SAWS), workers from countries like Ukraine, Belarus and Moldova could be recruited to fill the essential roles in the agrifood supply chain.

Climate Change

Beyond Brexit, the SFT has strong concerns about the slow rate of progress in reducing greenhouse gas emissions globally and is acutely aware that climate change has already increased the challenges facing producers today. The growing frequency of extreme weather events that has resulted from rising global temperatures has increased volatility in agriculture. For decades, agricultural soils have been neglected and left to deteriorate. Almost a third of the world’s arable soils have been lost to erosion and pollution over the last 40 years. Soil degradation in the UK costs the economy £3.21 billion a year as we showed in our ‘The Hidden Cost of UK Food’ report that was published in 2017.

We need to have a farming future that is built on sustainable practices and ecosystem health – to allow us to integrate efficient and sustainable food production with practices that maintain and enhance natural and human capital. Agroecology has been shown to be more resilient to climate change and the UN’s Food and Agriculture Organization has said that, “agroecology can safeguard natural resources and biodiversity, as well as promote adaptation to and mitigation of climate change”. At its heart, agroecology aims to improve soil health. By building soil carbon levels through agroecological techniques such as composting, cover crops and holistic grazing (techniques that Peter employs), we can improve soil health and provide better resilience against flooding and drought, reduce agrichemical run-off and increase the yield and quality of food produced. So many of the farmers that we interviewed have adopted these sustainable practices that will help to meet the challenge of climate change and we applaud them for their forward-looking approach.
While we recognize that the emissions from livestock contribute to global warming, we feel the impact of ruminant methane, which is responsible for no more than 4-5% of total UK greenhouse gas emissions, needs to be seen in the context of the essential role of grazing animals in ecosystem health. As such we would like to encourage greater debate into the discussion around climate-friendly livestock and encourage stakeholders to differentiate between industrially-produced livestock that are part of the problem, and pasture-fed livestock that are part of the solution.

We feel that there is a real problem with the blanket use of the term, ‘red meat’, which is freely used but flawed. Firstly, it is frequently used to refer to all ruminant meat, meat from pigs and all processed red meats. This is misleading because each type of meat (pork, lamb, beef) is produced in very different ways with very different impacts on the environment. Secondly, the term fails to differentiate between methods of production even within one type of meat. The environmental footprint of an industrially-produced hamburger will be very different to that of an organic one. Similarly, an American concentrated feedlot with 12,000 head of cattle has a significantly different environmental impact than a small herd of grass-fed cows managed in an agroecological manner. Consequently, the term ‘red meat’, unless carefully qualified, lack intellectual integrity and creates confusion.

Supply chains

To achieve the systemic shift towards more sustainable farming methods, we need to unlock the barriers to change. As Tim correctly identified, the current business model means that farmers are often locked into an unsustainable production system as a result of the centralised supply chain of supermarkets, decreasing farm-gate prices and strict contracts. Additionally, economies of scale and greater power in negotiations strengthens the position of large-scale businesses to the detriment of small-scale family farms.

The industrialised supermarket supply chain model has created a huge distance between farmers and consumers and this has also disconnected society from its food system. Nathan’s vision of a re-localised food system is one that the SFT heartily supports. We need to work to rebuild that connection throughout the entire food system. Innovation and technology can help with this, with new e-commerce platforms working to connect farmers with urban consumers and create shorter supply chains that allow farmers to sell directly without the need for middlemen. Businesses like Farmdrop can help to create new economic conditions where farmers are financially rewarded for adopting sustainable practices, and agroecological farming can become increasingly profitable.

However, more traditional forms such as farm shops, box schemes and local markets (like the distribution channels that Nathan uses) are most immediately placed to rebuild that relationship between farmers and consumers. Our hope is that the Government’s new Environmental Land Management Scheme will help these distribution channels to gain a strong market position and allow small-scale farming and growing that embraces heritage breeds and artisanal processing to flourish once again.
Horticulture

Like Nick, the SFT is concerned with the future of UK horticulture. Secretary of State for Environment, Food and Rural Affairs, Michael Gove has said that “We can design a more rational and sensitive agriculture policy which promotes environmental enhancement, supports profitable food production and contributes to a healthier society”, and we believe that driving up domestic production and consumption of fruit and vegetables in the UK should be a core part of that strategy.

There is a huge opportunity – and need – to increase fruit and vegetable consumption and production in the UK. In 2016, 26% of the UK population was classified as obese, and non-communicable diseases (such as diabetes) are on the rise. Poor diets that lack sufficient quantities of fresh fruit and vegetables are contributing to a public health crisis that is putting enormous pressure on the NHS. Our recent report The Hidden Cost of UK Food found that diet-related ill health in the UK costs the NHS £5.8 billion, or about 6% of total NHS costs. If the UK public could be encouraged to adopt healthier diets with greater levels of fresh fruit and vegetables, this could have a dramatic impact on public health. However, the horticulture sector to date has not had the Government support required to allow it to flourish. Currently UK production represents 58% of vegetables consumed and only 11% of fruit. The rest is imported, which increases food miles due to the transportation (often by plane), offshores the environmental damage and creates an unbalanced trade in embodied water.

To this end, SFT has become a member of the Fruit and Vegetable Alliance, a diverse group of producer organisations, unified by a desire to get the nation eating more fruit and vegetables. Through our work with the Alliance, we will strive to increase production and consumption and develop a clear and coherent vision and plan for the sector, one based on the health needs of the population and supported by the Government.

Whilst large-scale growers like ValeFresco currently provide a large portion of the UK’s horticultural output, the SFT strongly believes that if we are to increase fruit and vegetable production in the UK, then this must be done sustainably and should be viable for smaller-scale producers as well as large companies. This will require unlocking the barriers to change that currently encourage ever-increasing scale and prohibit farmers from adopting more sustainable agricultural practices. A business case for more sustainable approaches to horticulture, such as organic and agroecological practices, will benefit both the environment and public health.

Uplands

The question of the uplands remains a significant one. We want to see thriving local economies across Less Favoured Areas where farmers can produce food sustainably and profitably. Uplands gather more than 70% of our drinking water, store billions of tonnes of carbon in peat and soils and are home to some of our most special wildlife. Through the continuation of traditional farming practices, upland farmers can deliver vital environmental outcomes – such as sequestering carbon, increasing the water-holding capacity of upland...
areas which protect lowland towns from flooding, and restoring habitats for critical populations such as bees. These public goods should be supported through public money, augmenting, rather than replacing, farming income.

What’s more, we want the Government to acknowledge the value of farming in harmony with nature, particularly in the uplands, which are often cited as areas to be rewilded. While we must make some space for wilderness the widespread abandonment of food production in areas like the uplands, in favour of ‘land-sparing’, wouldn’t ultimately result in more sustainable agricultural practice overall, since food imports would increase and remaining land (in the lowlands) would be pushed towards more intensive methods of production to meet the gap in production. Instead of a piecemeal approach to land use, in which factory farms exist alongside nature parks, we want to see a genuine whole-farm approach where land is managed holistically and natural capital is improved rather than relentlessly degraded. Silvopasture, in particular, has significant potential to integrate natural ecosystems back into agricultural land while maintaining yields, diversifying income streams and sequestering carbon.

For some livestock producers in the uplands, access to a local abattoir is essential, as it is for local meat producers throughout the country. Small abattoirs provide a food hub for local meat by providing a service to farmers who depend on them for processing all or part of their stock. Parts of the country, many in the upland areas, are already without a local abattoir and if the decline is allowed to continue, the supply of local, fully traceable meat will dry up. That said, because of the harsher climates many upland farmers are unable to take their livestock through to finished weights and conditions and so sell them as stores for others to finish.

In conclusion, we can completely appreciate the challenging situation in which these businesses find themselves. There will surely be more ups-and-downs on the Brexit rollercoaster as the debate continues between now and October, and there is little likelihood of much certainty emerging. Despite the opaque nature of the negotiations, the SFT will continue to listen to farmers and continue to advocate at the national level for the adoption of a whole-farm approach, which integrates efficient and sustainable food production with practices that maintain and enhance natural and human capital.

This series is not meant to endorse particular businesses or farms, but rather seeks to offer a variety of perspectives on the impact of Brexit on agriculture and the food supply chain. For more on the SFT’s position on the UK Agriculture Bill, our policy paper is available here.

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