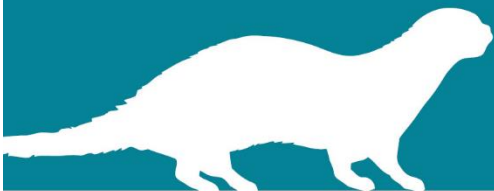




The
Wildlife
Trusts

Environmental Land Management schemes & Food Security – The case for increased investment in Nature for UK Food Security

A Briefing by The Wildlife Trusts



Introduction

Sustainable food production in the UK needs nature – it needs healthy soils, clean and plentiful water, and thriving insect populations because they are the foundation of farming. The UK Government's latest Food Security Report 2024ⁱ reiterated that the main threats to UK food security are climate change and ecological breakdown.

“Long term decline in the UK’s natural capital is a pressing risk to UK food production,” and, “Climate change, nature loss and water insecurity pose significant risks to the ability of global food production to meet demand over the longer term.”

This means that the restoration of nature – including natural habitats, ecosystems, rivers, uplands, peatlands soils and much, much more – is critical to feed ourselves in the future.

Climate change no longer presents abstract threats confined to a post-apocalyptic future. The consequences are now playing out across the four countries of the UK with significant impacts for our ability to produce food. Extreme rainfall in 2024 meant this year recorded the second worst harvest on record for Englandⁱⁱ, with analysis by the ECIU estimating this equated to a £600m reduction in revenue for farmers in comparison to 2023ⁱⁱⁱ. The increasing effects of climate change will pose ever greater risks to agriculture^{iv}. Currently, 74% of our total floodplain area is agricultural land^v, including 60% of our best and most versatile land for growing food^{vi}.

A healthy and thriving natural world is essential to support a resilient food system. For example, wildlife-rich wetlands^{vii} which hold water back to prevent flooding in times of heavy rainfall as well as keeping water in the landscape during periods of drought, or bees and other pollinators which provide crop pollination benefits of £400 million each year^{viii}.

Without urgent action to address the dual climate and biodiversity crises these risks will only increase. In England, the new Environmental Land Management (ELM) schemes provide an opportunity to enable future farming policy to address these issues, yet challenges to their current implementation risk rendering these schemes ineffective in realising the systemic changes needed to our farming systems.

This briefing sets out the urgent changes required to ensure ELM schemes in England can effectively address the main challenges facing long-term food security, and makes the case for an increased nature-friendly farming budget at the planned 2025 Comprehensive Spending Review to £3.1 billion/year in England.

Environmental Land Management schemes

Developing ELM schemes in England to deliver ambitious actions for nature's recovery will be critical to ensuring long term food security in the UK. The Sustainable Farming Incentive (SFI) will provide farmers with vital support to adopt sustainable farming practices, reduce reliance on chemical inputs, and protect natural assets on their farm which underpin food production such as building soil health (preventing soil degradation which has been calculated to cost the economy £1.2 billion every year across England and Wales^{ix}). **However, the findings of the Government's UK Food Security Report highlight that investment in Countryside Stewardship Higher Tier and Landscape Recovery is equally valuable to ensure long term food security.**

These schemes are vital to drive investment in habitat creation and nature-based solutions to ensure food security. Creating wetland habitats and restoring peatlands to hold water back and protect farmland from flooding in times of heavy rain, and releasing it slowly to provide much needed water during times of drought. Planting new woodlands which lock in carbon and help mitigate the worst impacts of climate change. Boosting biodiversity and wildlife abundance to support essential pollinators and beneficial insects which predate on crop pests.

Not only are these schemes expected to deliver the majority of habitat creation needed to meet the UK Government's nature and climate targets, they are also the schemes that will typically benefit farmers who need the most support^x and should be targeted at areas with the least impact on food production. Areas of marginal farmland with low food production but high potential for nature restoration stand the most to gain from these schemes, securing a sustainable income for farmers in return for public goods which underpin food security at a national level. **Yet currently, farmers who are pursuing the most impactful and ambitious outcomes for nature and climate on their farm are finding themselves increasingly penalised under the new schemes, and land managers who want to move faster are being unsupported.**

Defra should prioritise developing and rolling out the Countryside Stewardship Higher Tier offer as a matter of urgency. Defra must adequately resource Higher Tier, invest in the required digital infrastructure, and ensure Natural England has the capacity to process and advise on this scheme to drive genuine change on the ground, support farmers at the forefront of the transition, and rebuild trust in ELM. In December 2024, Defra published guidance on the future of Higher Tier and expressed an ambition to process 1,200 agreements by March 2026. **However, The Wildlife Trusts estimate that Defra and Natural England will need to process between 3,000-4,000 Higher Tier agreements each year to meet environmental targets.**

Landscape Recovery projects present an opportunity to achieve environmental outcomes at scale that simply would not be possible at an individual land holding level. Wildlife Trusts are leading, or are key partners in, 21 Landscape Recovery projects across rounds one and two and so have significant experience with this scheme to date. These schemes could be transformational for nature's recovery, carbon sequestration, and landscape scale nature-based solutions to climate change, being the true embodiment of the Lawton principles.

However, bureaucratic hurdles, uncertainty over payments, and challenges related to securing private finance mean that many projects are struggling to move past the development stage. Stalling projects at this stage risks farmers losing confidence and pulling out of agreements, in favour of simpler options such as the SFI. **Defra should explore options to facilitate Landscape Recovery projects entering the implementation phase, including streamlining of permissions and consenting where projects have been agreed, front-loading public funding of projects while private finance markets mature, and providing clearer guidance on legal agreements.**

Funding for Higher Tier and Landscape Recovery is at risk of being cannibalised without sufficient budgetary control measures within the SFI, which would hamstring the UK Government's ability to effectively achieve critical environmental outcomes. **There is a clear need for a ring-fenced budget for these more ambitious schemes to protect funding for nature-based solutions and support marginal farming businesses.** Independent economic analysis suggests that £1.3bn/year should be spent on these higher ambition options.

Farming Budget

Whilst The Wildlife Trusts were relieved to see the farming budget avoided significant cuts and was maintained at £2.4 billion/year in England in the Autumn 2024 Budget, the fact remains there is not enough money in the pot for Defra to do everything it needs to do. **Independent analysis on behalf of The Wildlife Trusts, RSPB and National Trust conducted earlier this year found that £3.1 billion needs to be spent on nature-friendly farming and land management annually in England to meet the UK Government's own legally binding targets^{xi}.**

Policy decisions on the future of ELM schemes without significant increase in Defra's nature-friendly farming budget risk leading to an offer which is unbalanced and leads to detrimental outcomes. The majority of funding is being spent on lower ambition elements of the programme such as the SFI, largely as a result of this scheme being developed in advance Higher Tier and Countryside Stewardship. This is leading to undesirable outcomes such as the immediate pause of capital grants which many farmers rely on to implement sustainable farming practices.

Whilst reforms to the SFI are needed to ensure this scheme represents good value for money (such as reforming low value for money actions, introducing more precise targeting of investment in the right areas through advice, and reinvesting the management payment to drive outcomes), it will be difficult for Defra to make significant changes in the short term without causing further confusion and uncertainty within the farming sector. **Therefore, there is a clear need to increase the annual farming budget at the planned 2025 Comprehensive Spending Review to £3.1 billion/year in England to support nature-friendly farming, safeguard livelihoods, improve animal welfare and meet critical climate, nature and water targets.**

This increase would represent critical investment in the national natural infrastructure which underpins UK food security, and makes good economic sense – it is a relatively small sum for the returns it provides and increasing the budget for nature and climate friendly is a cost-effective investment vehicle. The decline in nature is predicted to result in a 12% loss of UK GDP in the coming years^{xii} – more than the impact of both the 2008 financial crisis and the Covid-19 pandemic. Unmitigated climate change is set to cost the UK billions each year^{iv}. With the majority of experts predicting the climate to heat dramatically, these economic impacts are only set to increase and will more than likely exceed current estimates.

Land Use Framework

In addition to greater funding for ELM, particularly higher ambition schemes, more focus must be placed on how we can best use our limited land resources in the UK. The UK Food Security Report states that “Food security rests ultimately not on maximising domestic production (which is market driven), but on making best use of land types”.

Currently, it can't be said that we are making best use of our agricultural land. Around 56% of croppable land in the UK is used to grow crops to feed animals^{xiii}, which could instead be fed to people. This conversion of arable crops to animal products is grossly inefficient and serves to reduce rather than shore up food security in the UK. This land could instead be used to produce crops and vegetables for human consumption, while also freeing up land that could be used to restore nature. This presents a huge opportunity to both reduce the environmental impact of intensive livestock production whilst increasing self-sufficiency.

Approximately 121,000 hectares of agricultural land in the UK, an area half the size of the Lake District, is currently used to grow crops for bioenergy^{xiv}. This land accounts for 2.1% of the total arable land in the UK and is used to grow crops such as wheat, maize, and sugar beet which, rather than feeding people, are burned for large-scale electricity production, fed into anaerobic digesters, or used as biofuels for cars.

Together, these crops make up nearly 2 million hectares of land in the UK that could otherwise grow food to feed people. This land is often some of the best and most versatile land for food production, compared to marginal farmland and areas of low food productivity which present the greatest opportunities for nature's recovery. The least productive 20% of UK farmland produces just 3% of total calories^{xv}, and the UK is 114% self-sufficient in sheep^{xvi}. Whilst the availability of nutritious food cannot be simplified into a calorific figure, it is clear that reform of these areas is possible without significantly impacting food production. Rather, failure to reform these areas to address the dual nature and climate crisis will put future UK food security at risk.

The Wildlife Trusts urge the Government to publish an outcomes-focused Land Use Framework which sets out an overarching framework that guides prioritisation for land use change, and a national spatial plan that broadly identifies constraints and opportunities for land use and can be used to plan national level land use.

ⁱ[United Kingdom Food Security Report 2024 - GOV.UK](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/123456/United_Kingdom_Food_Security_Report_2024.pdf)

ⁱⁱ<https://link.edgepilot.com/s/2bdb7a1b/GR1mBezMPU6CPfpBMJdvtQ?u=https://eciu.us8.list-manage.com/track/click?u=8ed7ad7972fae058e8f4fb7e8%26id=bbf8b4f06f%26e=b13c87f66f>

ⁱⁱⁱ<https://eciu.net/media/press-releases/2024/confirmed-england-has-second-worst-harvest-on-record-with-fears-mounting-for-2025>

^{iv}<https://www.theccc.org.uk/wp-content/uploads/2021/07/Independent-Assessment-of-UK-Climate-Risk-Advice-to-Govt-for-CCRA3-CCC.pdf>

^vhttps://assets.publishing.service.gov.uk/media/602f9a08d3bf7f72154fabb6/Developing_the_evidence_base_to_describe_the_impact_of_FCERM_on_agricultural_land_use_Summary.pdf

^{vi}<https://www.cpre.org.uk/about-us/cpre-media/huge-quantities-of-productive-land-lost-to-development-our-research-shows/>

^{vii}<https://www.wildlifetrusts.org/natural-solutions-climate-change/wild-wetlands>

^{viii}https://assets.publishing.service.gov.uk/media/651d70756a6955001278b302/10_Tech_Doc_Pollinators.pdf

^{ix}<https://www.sciencedirect.com/science/article/abs/pii/S0921800915003171>

^x<https://eciu.net/media/press-releases/2024/delays-to-farming-scheme-risk-hitting-poorest-farmers-hardest>

^{xi}<https://www.wildlifetrusts.org/sites/default/files/2024-07/Scale%20of%20Need%20Report%20July%202024%20FINAL.pdf>

^{xii}<https://legacy.greenfinanceinstitute.com/wp-content/uploads/2024/04/GFI-GREENING-FINANCE-FOR-NATURE-FINAL-FULL-REPORT-RDS4.pdf>

^{xiii}https://www.gov.uk/government/statistics/agricultural-land-use-in-the-united-kingdom?utm_medium=email&utm_campaign=govuk-notifications-topic&utm_source=0689b348-4ba4-412e-95d6-669df229bba0&utm_content=weekly

^{xiv}<https://www.gov.uk/government/statistics/area-of-crops-grown-for-bioenergy-in-england-and-the-uk-2008-2020/summary>

^{xv}<https://www.nationalfoodstrategy.org/>

^{xvi}<https://www.gov.uk/government/statistics/agriculture-in-the-united-kingdom-2023>