

**Independent Farming Regulation
Task Force Implementation
Group**

Final Assessment of Progress

April 2014

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Any enquiries regarding this document/publication should be sent to:

defra.helpline@defra.gsi.gov.uk

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Letter to Defra ministers

The Rt Hon Owen Paterson MP

Dear Secretary of State,

For your consideration, please find attached our independent assessment of the progress made by the government to reduce regulatory burdens on farmers.

Whilst the Department for Environment Food and Rural Affairs ('Defra') made a slow start to tackling the Farming Regulation Task Force ('Task Force') agenda, it is clear that it is now making good progress and that there is a positive and structured better regulation agenda in place. As the evidence presented in this report shows, there is a large amount of detailed work and a welcome commitment to this whole subject.

Working closely with Defra we see first-hand the action the government is taking. However, what is also true is that much of the work is foundation laying and that the full impact of many internal initiatives is still to be seen and felt out on farm. Often where positive changes have been made they seem under-appreciated. So, we remain concerned that those who do not see this work first-hand do not feel a difference and do not realise what Defra is trying to do and has achieved.

Some farmers do not feel a difference from every change, and in some cases, the impacts of changes may not filter through for several years, not least because of EU requirements. The welcome drive to change the internal culture of Defra and the consequences for the better regulation agenda are also likely to take a long time. It is for this reason that it is essential that the government, and in particular Defra, makes every effort to better communicate to farmers those changes that do make a difference.

Better regulation is not for the government alone, the farming industry has to show leadership as well, primarily by their representatives but individually also. Those of us heavily involved in partnership working with the government need to make sure we communicate our involvement, and the progress made, with those we represent. If we are all to have an accurate understanding of regulatory burdens, why they exist, and what is being done to alleviate them, then the dialogue between the government, farming industry representatives and farmers needs to be more open and transparent with all involved playing their part.

Crucial to a continued and lasting better regulation commitment is that Defra's leadership maintains the momentum started by Ministers and initiated by the Task Force to drive forward the better regulation agenda. As this is a long term issue this leadership needs to withstand inevitable organisational changes. In short, if we really want to see a significant

sustainable difference in the regulatory landscape, including better engagement with and from farmers, then this issue needs to be built in to the heart of Defra's long-term work.

We believe there is a need for continued external scrutiny of the better regulation agenda. We share Defra's view that the remit of the existing Strategic Regulatory Scrutiny Panel ('The Panel') should be refreshed to take on this role.

The Panel's role in providing independent challenge to policy making should be visible both internally across Defra and externally to key stakeholders and businesses and it must have the ability to hold senior officials and ministers to account.

We hope you and the department will be able to use our final assessment to guide your continuing efforts on the better regulation agenda as you strive to achieve a noticeable and continuing reduction in regulatory burdens on farmers.

This report is our final independent assessment and we commend it to you.

Yours faithfully,

The Farming Regulation Task Force Implementation Group

David Christensen

Andrew Clark

Caroline Drummond

Richard Macdonald (Chair)

Jeremy Moody

Ian Pye

William Wolmer

Introduction

1. The Farming Regulation Task Force Implementation Group ('Implementation Group') has been in place since February 2012. Our role over the past two years has been to oversee, challenge, and in some cases drive, the government's response to the Task Force report.
2. In response to recommendations from the Task Force, the government made 137 commitments to reduce regulatory burdens on farmers. In February 2013 we published our '[One Year On' assessment](#)¹ of the progress that had been made to meet these commitments. Whilst our assessment acknowledged the positive action taken by the government, we highlighted the continued frustration of farmers who were yet to feel positive differences on the ground.
3. Over the past year we have continued to work with officials in Defra and other relevant government departments to make progress on this agenda. In August 2013 we recommended to Defra ministers that we wind down the Implementation Group in early 2014. We believe we have helped the government progress its better regulation agenda, but the time is now right for ministers and civil servants to drive forward its own agenda. We hope this final independent assessment helps that purpose both in commenting on progress and in suggesting where more still needs to be done.
4. The Task Force clearly set out that food and farming businesses need to be freed from unnecessary bureaucracy in order to help them be competitive and capable of increasing production. At the same time, the Task Force recognised the need for environmental, animal and human welfare and food safety standards to be maintained and where possible improved. These two themes from the original Task Force have remained at the forefront of our minds whilst engaging with the government and officials on this agenda.
5. We know regulation has an important role to play in maintaining standards in the farming industry, but it needs to be proportionate and focussed on outcomes. It is against this background that we assess the progress made by the government to tackle the challenges laid down by the Task Force.

¹ Farming Regulation Task Force Implementation Group, 'One Year On' assessment, February 2013. <https://www.gov.uk/government/publications/farming-regulation-task-force-implementation-group-one-year-on-assessment>

Priority areas

6. As stated in our 'One Year On' assessment, at an early stage, we identified five priority issues from the Task Force report which we believe, if addressed, offer the greatest long-term benefits for the farming industry. These issues include:

Culture change: Encouraging Defra to take a more effective approach to achieving its aims by focusing on outcomes rather than processes, considering alternatives to regulation, and working in greater and more strategic partnership with the industry on EU matters.

Inspections and earned recognition: Challenging the government to improve its risk-based targeting of inspection and enforcement activities, and to allow farmers who demonstrate best practice to 'earn recognition'.

Data-sharing and paperwork: Championing the Task Force's recommendations on involving stakeholders in the drafting of guidance documents, sharing more information between Defra agencies, and, where they exist, removing duplicated information requests.

Government communication with the industry: Overseeing a suite of government projects which are developing ways to deliver simplified and integrated environmental and regulatory messages to farmers. Encouraging Defra to support these with advice and incentives to increase uptake of best practice.

Animal movements: Driving forward progress on a range of measures to simplify controls and to extend the use of electronic reporting of animal movements.

Assessment format

7. Chapter 1 provides an overview of what the government has done to address these priorities and a summary of our observations about the progress made. Our detailed assessment of the evidence presented by the government is set out in Chapters 2-11 focussing on each of the 137 commitments made by the government, and the actions carried out by the Food Standards Agency (FSA) in response to the Task Force recommendations.
8. Where commitments made by the government do not match the approach recommended by the Task Force, the government explained its reasoning in the [Government Response to the Farming Regulation Task Force](#)² ('Government

² Government Response to the Farming Regulation Task Force, February 2012, <https://www.gov.uk/government/publications/government-response-to-the-farming-regulation-task-force>

Response'). To keep our assessment of progress manageable we do not replicate these reasons in this report. Instead we have included the original Task Force recommendation numbers so each commitment can be easily cross-referenced with the Government Response.

9. Given the ongoing and welcome cross-government drive to reduce regulatory burdens, the evidence presented in this assessment covers work being driven forward by the Task Force and multiple other initiatives including the Red Tape Challenge. We have accepted the inclusion of all this evidence as our key aim is to assess the progress made to reduce regulatory burdens on farmers. Where other initiatives have added force to this agenda it is welcomed.

Chapter One: Summary of the government's approach to reducing the burden of regulation on farmers - observations from the Implementation Group

10. This chapter sets out views from the Implementation Group on the actions taken by the government to achieve its objective of cutting red tape on farmers, whilst maintaining, and where possible improving, animal health and welfare, environmental and food safety standards.

Summary assessment

11. The Implementation Group believes that the government has made significant progress in its better regulation agenda. It has put in place the foundations of a good structure and strategy to deliver ongoing regulatory improvements which benefit both the farmer and regulators. This includes:

- Improving staff engagement, knowledge and training;
- A commitment to reduce the burden of inspections further and to improve coordination between regulators by using new IT systems to share more information;
- A commitment to less paperwork, transforming all guidance issued by Defra and its agencies to make it easier to use, doing a zero-based review of all information asks, and moving to a digital-by-default approach;
- A central online library of all Defra regulations;
- The ongoing Red Tape Challenge and the commitment to get rid of unnecessary or redundant regulations;
- An agreed internal set of rules and principles about assessing the need for any new regulations;
- A commitment to a practical working partnership with farmers and key stakeholders including a more proactive agenda setting approach in the EU, and;
- The establishment of an external regulatory challenge group to continue driving forward the better regulation agenda.

12. We believe these factors add up to a good strategy for making a positive difference in the regulatory landscape. However, if we are to realise a sustained culture of better regulation the factors need to be brought together in a strategic plan owned and driven by ministers and senior leaders. This plan needs to be clearly communicated, and committed to, both internally across the relevant government departments and regulators, and externally by key stakeholders also, so that there is strong drive to achieve its aims.
13. Though we believe a lot of progress has been made in establishing a good platform to deliver better regulation and despite some excellent work from many government officials, at present the results are rarely tangible out on the farm. The focus now must be to fully implement the better regulation strategy across the government and to communicate the changes that result, as we have done in this report. We believe that if this happens the significant progress that has already been made will be more clearly understood and the resulting momentum will generate a willingness to strive for greater achievements in the future.

Preventing the future build-up of unnecessary burdens

14. A central theme of the Task Force report was the need for culture change. As they quoted:

“Defra and its agencies need to establish an entirely new approach to and culture of regulation; otherwise the frustration that we, farmers and food-processing businesses have felt will continue”.

15. The Implementation Group believes the government has accepted and acted on this need but there is more to be done to ensure a changed culture is embedded permanently. The government has made a good start by focussing on three key areas:
 - Increasing staff knowledge and understanding of the farming industry;
 - Changing how policies are developed, and;
 - Increasing external scrutiny.

Increasing Staff Knowledge

16. In recognition of the importance of staff working on farming policy having a good understanding of the farming industry, officials working in Defra have produced the ‘Working with the Farming Industry Training Strategy’. This strategy, developed with input from the Implementation Group, is improving the ability of government officials to learn from and engage effectively with the farming industry and helping increase their understanding of farming. The strategy, developed for 2013 included a programme of

farm visits, seminars, workshops, training courses and an annual Defra Farming Week. It has been rolled forward for 2014.

17. Several hundred government officials have participated in learning opportunities offered through this strategy, increasing their understanding of the key issues currently facing the agricultural sector and allowing them to hear first-hand views about the impact of government policies and services on farmers.
18. We fully endorse the 'Working with the Farming Industry Training Strategy' and stress the importance of this work to achieving better regulation and good policy-making. Because of its importance, we believe the opportunities offered to government officials through this strategy must not only continue but where possible should be increased.

Changing policy development

Partnership working

19. The government is committed to working more closely in partnership with the farming industry to ensure that key policies do not burden farmers unnecessarily. There are many examples of government officials in Defra holding discussions with industry representatives and establishing stakeholder groups on many issues including water quality as well as the implementation of the new Common Agricultural Policy (CAP) and the soil protection review.
20. We believe partnership working, with farmers and key stakeholders, should be a routine feature of policy-making by government officials. We very much approve of the examples of partnership working that we have witnessed but would like to see more done to ensure that this approach is consistently embedded across relevant government departments.

Better policy making

21. Government officials in Defra have launched an internal policy management system aiming to ensure better regulation principles are considered throughout the policy process. The new system is being embedded in Defra through the roll-out of training courses for staff and increased scrutiny of policy development. It is accompanied by several tools and gateways to encourage the development of proportionate regulation.
22. Initial policy appraisal: Every new policy under consideration in Defra must now undergo an initial policy appraisal. Government officials developing policies are explicitly asked, amongst other things, to work with delivery partners and stakeholders to consider as relevant:

- What are the policy objectives and the desired outcomes?

- Why is government intervention necessary?
- What level of compliance would be regarded as tolerable?
- If regulatory who would enforce the regulations have they been engaged/consulted on?
- What activities and outputs need to happen in the short, medium and long-term?
- What behaviour issues are involved and need changing?
- Have you explored alternatives to regulation?

23. These questions help prompt a greater consideration of monitoring and evaluation of policies and ensure that businesses have the opportunity to shape policies that will impact them. They follow closely the recommendations of the Task Force and form an important part of Defra's better regulation strategy. What we are unclear about is how strongly they feature in the mind-sets of all government officials when developing policies.

24. Policy Tracker: Where the initial policy appraisal justifies government intervention officials will record and monitor it through the 'Policy Tracker'. This online tool ensures easier and more reliable reporting within Defra and also across government to the Better Regulation Executive and Cabinet Office to support monitoring of all new Defra regulation and Red Tape Challenge commitments. It also ensures continued scrutiny of policies during their development, thus helping to avoid unnecessary burdens on farms and other businesses.

25. Defra-Lex will play a substantial role in improving access to legislative information. It will establish and maintain an accurate record of all Defra regulations. This database, to be launched for consultation in April and published on legislation.gov.uk later this year will provide a one-stop-shop for key publications related to Defra legislation. These publications include impact assessments and consultation documents with links to the accompanying guidance via the Gov.UK website. It will also provide indicative dates when individual regulations will be reviewed. The government anticipates that Defra-Lex will be particularly useful for people who provide advice to farmers.

26. The absence of any central database in the past has inevitably been a handicap to any regulatory review. We think Defra-Lex is a positive step forward and another important part of the government's better regulation strategy.

27. Accountability for Regulator Impact (ARI): To ensure regulators engage with the businesses they affect, all Defra's regulators have committed to adhere to the ARI initiative which was announced as part of the Chancellor's autumn 2012 statement. ARI requires regulators to:

- Assess in advance the impact on business of changes in policy and practice;
- Engage business about that impact, and;
- Report those impacts publicly.

28. ARI will ensure that no changes will be made to regulatory activities without first engaging with those who will be directly affected, with the aim of ensuring that those activities are implemented efficiently and with minimum burdens on business.

Feedback mechanisms

29. Consultations: Defra has an ongoing project to improve the quality of its public consultations. Online consultation tools are already in use which we believe facilitate more effective consultation and should also support accurate analysis of responses.

- **Citizen Space**: Since June 2013, all Defra consultations have been supported by an online tool 'Citizen Space' which aims to improve interactions with consultees. Recent consultations through Citizen Space, including on TB and CAP implementation, have been well received. The system does not, however, prevent stakeholders from downloading or having hard copies of consultations if they wish. It also does not prevent representative bodies from uploading free text responses if that is what they prefer.
- **Dialogue app**: Defra and its regulators can also now use another online tool 'dialogue app' which has further scope to enhance engagement through crowd-sourcing techniques. Defra officials believe this tool will be useful in seeking views on priorities for future reviews of regulations.

30. Improved transparency is also provided by publishing all consultations conducted by Defra and its regulators on gov.uk. We believe these online tools are good additions to the consultation toolbox used by Defra officials, helping ensure maximum opportunity for key stakeholders and individuals to engage with the government.

31. Review of feedback mechanisms: In recognition of the important role feedback has in helping improve how regulators operate, in September 2013, government officials completed a review of the mechanisms used by Defra regulators who undertake on-farm inspections or visits to gather feedback from farmers. This review found that:

- All of the regulators have some mechanism through which farmers can give feedback on the way in which they are inspected, although the extent of this and the methods used differ.
- Most regulators used stakeholder panels to consult a wide group of farmers on a specific policy or operational issue. For example, Natural England and the Rural Payments Agency (RPA) both have farmer panels which can be consulted by government officials from Defra or any other regulators. The RPA farmer panel

reviewed the 2011 Single Payment Scheme application form and it was simplified as a result.

- Most regulators also used focus groups to discuss specific issues with farmers or farming industry representatives. For example, the Environment Agency recently conducted a series of workshops to understand the pressures on our water system. The Environment Agency takes the approach of workshops and panels slightly further by using industry liaison groups. These are well-developed channels of communication between the Environment Agency and industry representatives, and meetings take place regularly alongside more frequent day-to-day contact.

32. Whilst the review found that Defra regulators, local authorities and the Food Standards Agency (FSA) all provide options for farmers to provide feedback, it was agreed that the following principles should be followed as good practice:

- Regulators should provide opportunities for feedback after each inspection, and these should be pro-actively highlighted to customers;
- These feedback mechanisms should not be intrusive and need not be expensive: customers could simply be directed to a website where they can fill in a survey;
- Customers should always have the option of providing feedback anonymously;
- Each regulator should offer just a small number of feedback mechanisms. These should be as simple as possible, and;
- Regulators should publish data on the feedback they receive, and crucially on the steps they are taking in response to that feedback.

33. It is hoped that existing, and improved, feedback mechanisms will help to reduce feelings of fear and frustration over visits and inspections amongst farmers. We would urge farmers to help themselves and provide feedback to regulators, good or bad, as this will drive positive change.

Increasing external scrutiny

34. Strengthened scrutiny of policies developed by government officials as a result of the new procedures and tools described above will help increase internal challenge to ensure the principles of the Task Force are followed. However, Defra officials have recognised the need for a continued level of external and independent scrutiny once we, the Implementation Group, step down. We believe continued external scrutiny is a fundamental factor of better regulation.

35. To meet this need, Defra officials intend to refresh the role of the Strategic Regulatory Scrutiny Panel ('The Panel') which to date has brought a useful external perspective to challenge new regulatory initiatives as they are being developed by officials. As part of

this refresh, membership of the Panel will be strengthened and its profile will be raised by increasing its interaction with senior officials and ministers in Defra.

36. Defra officials assure us that cutting unnecessary regulatory burdens on farmers remains a key priority for them and we very much welcome the role of this strengthened Panel in ensuring the importance of the better regulation agenda continues.

Tackling existing unnecessary burdens on farmers

37. As we have frequently highlighted to Defra officials, supported by the findings of the National Audit Office (NAO) report on Streamlining Farm Oversight and the Red Tape Challenge Agriculture Theme, that the issues creating the biggest burdens on the farming industry are:

- Inspections;
- Data collection and paperwork;
- Government communication with industry, and;
- Specific policy issues including:
 - Common Agricultural Policy (CAP);
 - Livestock movements, and;
 - Water quality

38. As described in the following paragraphs, Defra officials have made it clear that they are committed to driving forward changes in these areas to make a noticeable difference to farmers.

Inspections

39. Whilst recognising the frustrations, and often fear, farmers feel about inspections, they play an important part in ensuring regulatory compliance is achieved and standards are maintained. However, Defra officials accept there is room for improvement in how inspections are undertaken and are taking action to make these improvements happen.

Improving how to target inspections

- Reviewing risk-based approaches

40. Defra officials have initiated a two-stage review of risk-based approaches used to select farms for inspection. The first stage involved building an evidence base to show how many on-farm inspection regimes are risk-based and if not risk-based, to find out why. The second phase is challenging whether the risk-based approach used is robust with a view to improving the targeting of inspections to where they are most needed.

41. The first phase of this work was completed in February 2014 and shows that 23 out of 32 inspection regimes are targeted on a risk basis, with the remaining nine regimes having valid reasons as to why they cannot take a risk-based approach (e.g. EU law dictates 100% of cases must be inspected such as for animal imports, or inspections are only carried out in response to complaints).

- Implementing earned recognition

42. Earned recognition is a key concept for consideration when reviewing how farms are selected for inspection. Where possible, opportunities are being sought by officials to use earned recognition to improve the targeting of inspections to where they are most needed, and away from farmers who consistently demonstrate compliance.

43. To date, 14 out of 31 on-farm inspection regimes incorporate an element of earned recognition. These include:

- The 885 members of the Environment Agency's Pig and Poultry Assurance Scheme earn recognition and benefit from reduced inspections from one per year to one every three years for members. This results in an £880 reduction in Environment Agency fees and time savings to the benefit of farmers and the Environment Agency.
- Membership of relevant UKAS accredited third party assurance schemes, including Red Tractor, was included in the risk model used to select premises for risk-based animal welfare cross compliance inspections (all farmers must be considered for a random inspection). As a result, no farms covered by a farm assurance scheme were selected for an inspection as part of the 2012 risk-based selection. Defra-funded research is now being undertaken to assess whether membership of herd health schemes or the results of post mortem tests at abattoirs are suitable measures of welfare standards and can also be included in the risk model.
- Incorporating earned recognition into dairy hygiene inspections has reduced the number of FSA inspections taking place on dairy farms by over 8,000 per year.
- Earned recognition in egg marketing inspections, implemented in January 2014, reduces routine inspection visits to medium and large producers by at least half, to around one inspection per year.
- From 2014, RPA cross compliance inspections will incorporate an additional element of earned recognition for Red Tractor members against statutory management requirement (SMR) 11 Food and Feed law.

44. We have pushed government officials in Defra and representatives of the farming industry to find ways to implement earned recognition. We support the view developed by Defra officials that earned recognition should not be seen as a goal for its own sake. It should be part of wider work to improve the targeting of inspections. It is important that the need to better target inspections is not seen as a one-off piece of work, government officials should be looking to continuously improve and the farming industry has an important role to play in bringing forward evidence of where, and how, this can happen.

- Increasing data sharing

45. Defra officials are working with the Health and Safety Laboratory (HSL) to develop a GIS-based data sharing and inspection planning tool called 'Find-It' which they will pilot in summer 2014. Officials believe this tool will help improve targeting of inspection activities by enabling regulators to see when a farm was last visited and its compliance history.

46. We very much support this work which could make a hugely positive difference in improving the targeting of inspections.

- Tackling serious non-compliance

47. Defra officials have also developed a proposal for a formal approach to dealing with serious non-compliance or emerging threats, introducing a standard formal framework for handling enforcement intelligence across Defra regulators. This proposal is part of an overall strategy for shifting enforcement and compliance activity away from normally compliant business to serious and/or persistent offenders, something that both the Task Force and the Implementation Group have pressed for.

Improving co-ordination of inspections

- Supporting Regional Inspection Forums

48. To improve the way inspections are co-ordinated, Defra is supporting the NFU and local authorities who are working together in Regional Inspection Forums. These forums, covering the West Midlands, East Midlands and East of England, help to:

- Embed a more risk-based approach to inspections at a local level;
- Encourage inspectors to share information with each other, and to contact farmers before they visit;
- Increase the farming community's understanding of how inspections are conducted, in order to reduce the 'fear factor' associated with visits, and;
- Encourage farmers to approach inspection or competent bodies for advice if they are unsure about compliance, and reassure them that this does not invite an inspection.

49. The Implementation Group believes work to ensure inspections are effectively co-ordinated on a local scale should be given higher priority if duplicated inspections taking place on farms are to be avoided.

- Joining up of inspection activity

50. In January 2012 the RPA took over cross compliance visits to farms previously conducted by the Environment Agency, helping to simplify the inspection process. This step reduced on-farm cross compliance inspections by 1,070.

51. The Animal Health and Veterinary Laboratories Agency (AHVLA) is also liaising with the RPA so that cattle identification inspections (CII) can be combined with TB testing to reduce burdens on farmers.

52. Positive steps have been taken so far to reduce the burden of inspections, but Defra officials and ministers recognises there is more to do. As a matter of priority they are working with representatives from across their regulatory network, the farming industry and key stakeholders, to find further opportunities to improve the targeting and co-ordination of inspections to reduce the burden on those farmers who have a strong track record of reliability and adherence to standards. We hope this work progresses quickly.

Data collection and paperwork

Reforming guidance

53. Government officials are working to simplify their guidance by spring 2015 to make it easier, simpler, quicker and clearer for businesses to find out what to do to comply with rules and access services. Officials expect this work to lead to a reduction in the volume of guidance by at least 80% based on experiences so far, potentially saving businesses and others £100 million each year. These reforms, which are being carried out under Defra's Smarter Guidance Project, will make sure all guidance content is designed entirely around users' needs rather than, for example, the laws or how different organisations are structured. These reforms aim to ensure that:

- Businesses and others find it simple and quick to find clear information about what they need to do, including those new to the subject;
- Guidance gives confidence to users in identifying their legal obligations;
- Guidance makes compliance as easy and efficient as possible without restricting flexibility to innovate in finding solutions;
- In achieving the above, the amount of material issued by government bodies is kept to a minimum;

- There is one authoritative source of guidance, covering all relevant departmental and regulator interests, on each topic, and;
- Clear governance arrangements are in place so that guidance is kept up-to-date and is only produced when there is a clear need.

54. The Implementation Group sees this review of guidance as a very important part of the better regulation agenda which has the potential to make a massive difference to the regulatory understanding and consequently compliance by farmers. We urge officials in Defra to prioritise this work, to swiftly publish a consultation timetable for the remaining guidance documents and to ensure that final guidance can be delivered effectively.

Sharing information

55. In addition to developing the 'Find-It' tool, (see paragraph 45) to further improve data sharing officials in Defra are working towards a 'report once use many times' approach to data collection so that businesses provide information only once across multiple transactions. Their vision is to have an 'Amazon' type experience for users which will include the pre-population of forms saving business the time and expense of providing duplicated information.

56. The Implementation Group believes this is another important part of the better regulation agenda.

Reviewing information requests

57. In response to the conclusion that many businesses feel they provide more information than necessary to the government, officials in Defra are reforming data reporting obligations. Their aim is to make sure only information that is needed is collected from customers, and that it is collected in the easiest possible way for the customer.

58. Information requests include forms and application processes, compliance and performance information and any other information requested from businesses. Defra officials will publish their plans to simplify information requests by June 2014 with an aim to implement the commitments by March 2016.

59. The principles behind this review are that information should only be collected when it is not already held within government and is:

- Essential to meeting minimum EU obligations; or
- Essential to making a decision/approval; or
- Required to verify compliance with regulation.

And:

- No alternative and better means to achieve these are available;
- Only the minimum amount of information required to achieve the outcome is requested, and;
- The data collection is undertaken in the most streamlined manner available.

60. The review is being conducted by independent business compliance experts. The broad process is:

- Understand why information is collected and how it is used working with the regulator;
- Interview business to understand their perspective and how hard it is to report;
- Review initial proposals in a challenge session, and;
- Make recommendations to Defra officials.

61. Defra officials predict that if recommendations to simplify environmental information requests are fully implemented they could save businesses up to 20% of the costs of information requests.

62. We, the Implementation Group, fully support this work. Coupled this with the other data streamlining work and we believe it should have a positive impact on reducing regulatory burdens on farmers.

Government communication with the industry

Defra bodies working as 'one business'

63. There are growing pressures on the environment, the rural economy, and animal and plant health. Significant public expenditure reductions are likely to continue for the foreseeable future. To meet these challenges, government officials in Defra recognise the need to bring together the structures, systems and processes across the network under 'one business' to deliver a better customer experience at lower cost.

64. The move towards 'one business' will take place through a rolling programme of changes including one which is reviewing how farmers receive advice and how the government communicates key messages with the farming industry.

Improving the delivery of advice

65. The [Review of Advice, Incentives and Partnership Approaches](#) (the AIPA Review) was published in March 2013 alongside associated research. The AIPA Review makes

commitments to eleven deliverables that the government and the farming industry have agreed, to improve advice to farmers including:

- To ensure that any new advice requirements which are born out of the next round of the CAP and Rural Development Programme for England (RDPE) are delivered in an integrated fashion with a consistent approach across the whole programme;
- To seek to develop a more flexible and adaptable approach that will simplify things from the farmer's perspective, and allow incorporation of requirements under the next CAP, and;
- As soon as practical, to develop a unified contractual arrangement (a framework contract) that will allow government supported out-sourced advice to be brought together and delivered locally by trusted sources. This may be delivered by different organisations 'on the ground' to best suit local circumstances and would ensure that different types of advice could be better linked, reducing the number of government supported advisors any one farmer needs to speak with to get advice.

66. Defra officials are addressing implementation of the AIPA Review's commitments for delivery of advice before and during the next CAP round (2015 to 2020).

Improving communication with the farming industry

67. The Farmer Information Group (FIG), made up of representatives from a wide range of farming organisations and government officials and regulators, aims to:

- Help farmers move online;
- Streamline communications with farmers;
- Demonstrate partnership working between the government and industry, and;
- Develop a more sector-based approach to communicating with the farming industry.

68. The FIG has scrutinised communications to farmers from government and put in place a series of simple, low cost, practical solutions to streamline and coordinate them to help reduce administrative burdens on farmers. Communications include events, paper and electronic mailings and other significant communication activity. Key successes of the group include:

- The RPA developing a better customer insight and segmentation framework to understand, and take account of, different businesses' needs in order to create a better service experience for farmers.
- Improving the co-ordination of events hosted by Defra's regulators by upgrading the Farming Advice Service (FAS) Event alert system.

- The RPA helping farmers to move online by working with industry stakeholders to improve the usefulness of online services, (such as the development of Single Payment Scheme (SPS) online enhanced tracking and receipt printing functionality which government officials report is highly valued by customers) and providing a dedicated customer telephone helpline where more practical queries raised by customers can be addressed (in 2013 this service was highly rated by customers in their feedback to the RPA and over 11,000 calls were taken).

69. We very much hope that the FIG will continue its good work and drive more successes. It is a great example of the government and industry working in partnership as advocated by the Task Force.

Specific policy issues

Livestock movements

70. Simplify movement controls: From 2016 the government will implement changes to the way livestock holdings are defined, making it easier for farmers to understand and comply with livestock reporting and recording arrangements, as well as reducing the number of movements they have to report. Cattle tracing links and Sole Occupancy Authorities will also be phased out to further streamline the movement regime, reduce red tape, and improve the management of disease risks.

71. These changes include:

- From 2016, the introduction of a generic 10 mile rule for County Parish Holding (CPH) allocation across farmed species, alongside a new solution for dealing with land being used for temporary grazing within 10 miles of the home holding;
- From 2017, the abolition of all Cattle Tracing System (CTS) Links and Sole Occupancy Authority (SOAs) licences, and;
- In 2018, a full review of existing whole farm standstill arrangements in England once the much-needed simplification of the livestock movements landscape has been completed.

72. These changes will be rolled out over a two-year period beginning in 2016 so as not to jeopardise the successful delivery of CAP reform in 2015.

73. The Implementation Group has supported these changes and we believe they are part of an essential change, as recommended by the Task Force, which will not only reduce disease risk but reduce burdens, especially locally, on farmers.

74. We are disappointed that it is taking a long time to introduce these changes and whilst we understand why they cannot happen simultaneously to CAP reform, we urge ministers and Defra officials to prioritise resources to implement these critical changes.
75. Extend the use of electronic reporting: Defra officials are extending the use of electronic-reporting which they believe not only delivers savings to the farming industry, resulting from a reduction in time taken to complete movement forms and savings in postage, but also allows for the swift capture of more accurate movement data which in a disease outbreak will enable the government to respond quicker. This could reduce the duration of an outbreak and its associated costs.
76. Electronic-reporting for pigs was introduced in 2011 and will be rolled out for sheep and goats from April 2014. Feedback from Defra officials shows that over 92% of pig movements are now reported electronically.
77. In line with the recommendation made by the Task Force, Defra officials will use the proposed new Animal Health Regulation to review whether there is scope for a single multi-species livestock database. This would be some way in the future (around 2018) but preparatory work is underway to determine whether such an arrangement is practical. The Implementation Group strongly supports the creation of a single livestock database, especially if it has the capability to record livestock movements across the UK, and the rest of the EU.

Water quality

78. To achieve the dual aims of improving water quality (including improving the number of water bodies at 'good status' and the different types of 'Protected Areas' such as bathing waters which meet their objectives) and building a more sustainable and competitive farming industry in England, government officials in Defra have established the Water Quality and Agriculture Project. This project aims to help ensure farmers know what they have to do under regulation, where they can get advice from and who will pay them to go further than minimum requirements.
79. To achieve the project's aims, Defra's Water Quality Team have strengthened engagement with the farming industry through a new 'Water Quality Farmer's Panel' with sector representatives, a strategy group, working groups on specific topics and several stakeholder workshops. This engagement has allowed government officials and farming industry representatives to discuss policy development at an early stage, and often in an open and candid way. It has generated a shared understanding of the evidence base on some challenging issues and some shared principles for developing solutions.
80. As a result of this increased partnership working there is now a joint government and farming industry set of recommendations about how to address slurry management, a better understanding of the evidence around agricultural impacts on the water environment, and a greater awareness of the impacts of policy on farming businesses.

On this basis there should be a better foundation to develop a joint government/industry plan for improving the water environment over the next five to ten years, one which looks across water regulation silos and is based on the Task Force principles of better regulation.

81. The Implementation Group supports this more holistic approach to water quality. We agree with the Task Force that the current regulatory tools, such as the Nitrates Directive, for managing diffuse pollution are blunt and out-of-date instruments. A government/industry partnership approach, agreeing new ways forward using the Water Framework Directive methodology (i.e. focussed on a catchment basis and addressing all pollutants under one Directive) seems to us the right way of achieving water quality improvements.

Chapter Two: New ways of working - better regulation

Recommendation 2.07: Regulatory culture

Government Commitment 1: Adopt the principles laid out in Task Force recommendation 2.07 into policy development, specifically at the outset of the policy-making process and addressed in the impact assessment process. These principles include asking:

- What is the problem, and do we need to address it at all?
- What is the desired outcome?
- Does government need to do this?
- Can we do this without regulation?
- Is the private sector already doing something similar? If so how can we use it?
- If we need regulation, what is the most efficient and cost effective inspection regimes possible?
- What might be the unintended consequences of our proposal, and how might we avoid them?
- Who is best placed to produce clear, succinct and simple guidance to help businesses comply?

Action

82. To kick-start implementation of Task Force principles in Defra, a senior government official issued a letter to all senior leaders setting out the key principles of culture change that staff are expected to adhere to. These principles are as follows:

- Horizon-scanning: Working together to agree priorities and anticipating new developments.
- Early engagement: A 'no surprises' culture where industry is warned of new developments, and maintaining engagement throughout the policy-making process. Avoiding long silences and uncertainty.

- Seeking non-regulatory solutions: Being able to demonstrate in impact assessments that Defra has seriously explored other options with the industry if regulation is the only way forward.
- Co-design: Involving farmers in developing solutions, focusing on the desired outcomes and looking at the practical on-farm impact of how policies are implemented.
- Introducing earned recognition into inspection mechanisms.
- Holding delivery partners accountable for risk-based inspections and good inspection behaviours.
- Working in partnership in the EU: Using European farming networks to influence EU policy-making. Involving organisations closely and using their expertise in developing negotiating briefs.
- Understanding farming, through Defra officials going on farm visits and being seen to understand the practicalities of farming and the wider issues affecting different sectors.

83. Defra's Better Regulation Team has also been proactive in taking forward the Task Force principles through engagement with officials across Defra. Two key elements of this approach are:

- The development of a range of training for officials including specific courses on policy development and clearance, writing impact assessments and stakeholder consultations. Over 300 participants will have taken part in this training programme by end March 2014 (see Commitment 3 for further details).
- The development of a clear and consistent pathway which all new policies should now follow, enabling improved scrutiny of proposals to ensure the Task Force principles are being applied. This new approach to internal policy coordination is called 'Policy Information Management Made Simpler' (PIMMS) and consists of the following elements:
 - At the very first consideration of a potential new policy, the lead official will explore with analysts, lawyers, regulators and Defra's Better Regulation Team, the broad range of policy options available and determine whether government intervention should be recommended. This initial policy appraisal is intended to ensure the Task Force principles of better regulation, including the potential to apply alternatives to regulation, are followed from the outset. Its purpose is also to ensure that the evidence requirements are established prior to the preparation of any impact assessment to compare the costs and benefits of each policy option. At this stage the 'project' will also be recorded in the 'Policy Tracker'.

- The 'Policy Tracker' is an online tool to support the recording and monitoring of all new policies under development within Defra. This includes all the commitments that have been made by Defra through the Red Tape Challenge. The Policy Tracker' was launched in October 2013 and from end March 2014 will be available to use by Defra officials and regulators to ensure improved internal transparency by acting as a one-stop shop for information on policies under development. The tool should also enable better reporting to senior officials and ministers.
- The involvement of stakeholders is a critical component of policy development. Therefore a key aim of PIMMS has been an improvement in the quality and consistency of Defra's consultations. All formal consultations by Defra and its delivery bodies are now published online on a single site within gov.uk. Consultations are also supplemented by other forms of engagement, such as workshops and face to face meetings.
- Where policies result in new regulation, these will now be published simultaneously by National Archives on its legislation.gov.uk website and Defra-Lex which will be launched for consultation in April 2014 and published on legislation.gov.uk later this year. Defra will become the first government department to hold and publish an accurate record of all its legislation currently in force as well as its related public documentation such as impact assessments. Defra-Lex will also provide dates for future reviews of regulations, thus providing improved transparency to stakeholders about opportunities for engagement.

84. In response to Red Tape Challenge, Defra's review of all guidance, the 'Smarter Guidance Review' is rationalising all guidance to make it easier, quicker and clearer for businesses to understand what rules apply to them and what to do to in order to meet them. By summer 2014, Defra will publish content plans setting out in detail how Defra's guidance will look. More details on the Smarter Guidance Review can be found under Commitments 10 and 20 later in this report.

85. Whilst it will take time to ensure these processes are fully embedded, Defra believes that they will make a genuine positive difference to how they develop and implement policy. The impact of this work will be monitored via the Strategic Regulatory Scrutiny Panel who will provide independent external challenge to ensure Defra's approach to developing and implementing regulations has changed.

Impact

86. Training: The training programme has received very positive feedback from participants and is resulting in early engagement with Defra's Better Regulation Team when new policies are being considered helping ensure Task Force principles are followed from the start. This also provides an encouraging indication that the PIMMS procedures will also be followed. Over 300 participants will have taken part in this training programme

by the end of March 2014 and the programme will be recommended as expected training for all new policy staff in Defra.

87. PIMMS: The PIMMS process was first piloted at the end of 2012 but the full set of arrangements, and staff to support officials in its application, have only been in operation since October 2013. The PIMMS process will make it easier to manage and report accurate and up-to-date information to senior managers and ministers about regulatory activities although the full impact of this process will probably take a year to fully determine. Feedback from Defra staff on this process has to date been encouraging.

88. Consultations: Stakeholders have largely welcomed the changes introduced to Defra's consultation arrangements and to early demonstrations of Defra-Lex.

89. Smarter Guidance Review: This work is expected to reduce the time required for new businesses to understand their environmental obligations by over 80%.

Implementation Group Assessment

We recognise that the development of PIMMS attempts to change the way Defra develops policy to ensure that policy teams take account of better regulation principles from the start, rather than being seen as an obstacle to overcome at a later stage, and to ensure emerging policy ideas are subject to a wider range of earlier internal and external scrutiny. We view this very positively but see that the benefits will only be achieved if the process is adopted by all. We urge that DEFRA both applies PIMMS to all its policy development and makes it work effectively so that these objectives are met.

To embed a better way of policy development permanently will require a change in culture more than simply a change in process: changing people's mind-sets needs leadership across the Defra family, not just amongst those with an explicit 'better regulation' responsibility. We have seen individuals and teams who are very positive about driving better regulation principles; and others who are not. What we'd expect to see is the better regulation principles embedded at the centre of Defra's policy-making culture.

Recommendation 2.07: Regulatory culture

Government Commitment 2: We will establish:

- A more consistent approach to regulation across Defra and its delivery network;
- Tighter scrutiny over regulatory and deregulatory plans, and;

- An efficient way of reporting the progress we make to Better Regulation Executive, the Cabinet Office and others.

Action

90. The training programme and introduction on new procedures to manage policy development within Defra (see Commitment 1) will ensure that better regulation and Task Force principles are considered early and throughout the policy development process.
91. The steps to be followed through the new PIMMS process will enable better scrutiny on new policies both within Defra as well as by others and allow Defra to account for and report its policy programme more accurately in future. PIMMS, supplemented by the training programme, will now be the standard process by which all Defra policies (including those of its regulators) will be scrutinised and monitored.

Impact

92. As for Commitment 1, the extensive training programme now being rolled out for staff across Defra and its regulatory bodies will help ensure that all policy staff are fully acquainted with the better regulation agenda, including the importance of stakeholder engagement. This training will help ensure the better regulation principles are applied consistently by government officials in Defra.
93. By having a standardised process for all new policies and ensuring the opportunity of options appraisal, it is expected that the PIMMS process will provide greater consistency in policy development and the application of best practice across Defra. New policies, particularly those involving regulation, will not be possible without such scrutiny. Where appropriate, external validation of impact assessments by the independent Regulatory Policy Committee will also take place in accordance with central government requirements.
94. The Policy Tracker will also ensure easier and more reliable reporting to the Better Regulation Executive and Cabinet Office of all new regulation from Defra and Red Tape Challenge commitments thus enabling increased scrutiny beyond Defra.

Implementation Group Assessment

This standardised process is a good start to establishing a more consistent approach to regulation. However, unless the process, and the reasoning behind it, are fully embedded within the organisation the process could be ignored which would have at best, no impact on farmers, or at worst, lead to increasing regulatory burdens.

Recommendation 2.07: Regulatory culture

Government Commitment 3: Ensure that all new regulatory proposals are properly challenged at the beginning and end of their development. We will:

- Subject all new regulatory proposals to an internal scrutiny process before commencing work to gather evidence and develop Impact Assessments. We will fully scrutinise final proposals before recommendations are made to ministers.
- Ensure government officials have sufficient knowledge of better regulations principles. We will roll out a training programme for policy officials, economists and lawyers during 2012.
- Increase transparency of the regulatory landscape. We will add guidance and publish impact assessments to 'Defra-Lex'. We hope the database will be publically available from the National Archive website from early 2014.

Action

95. As explained under Commitment 1, Defra has achieved improvements in internal scrutiny by the recent introduction of the PIMMS process. Defra has also used the external and independent Strategic Regulatory Scrutiny Panel to provide further external challenge. The panel has met with all key officials in Defra and major regulators and has identified and fed back to government officials on cultural behaviours within Defra, where both good and bad practice has occurred.

96. The comprehensive training programme, for government officials in Defra and from regulators, will help to ensure widespread awareness and understanding of better regulation and Task Force principles. This training programme covers the following specific topics as well as the use of new tools supporting the PIMMS process:

- Impact assessments;
- The Better Regulation Policy Framework and PIMMS;

- Stakeholder Engagement and Consultation, and;
- Accountability for Regulator Impact (ARI) including stakeholder views on anticipated business impacts.

97. Where policies result in new regulation, these will now be published simultaneously by National Archives on its legislation.gov.uk website and Defra-Lex which will be launched for consultation in April and published on legislation.gov.uk later this year . Defra will become the first government department to hold and publish an accurate record of all its legislation as well as related public documentation such as impact assessments. Defra-Lex will also provide dates for future reviews of its regulations, providing improved transparency for stakeholders and opportunities for engagement.

Impact

98. See also Commitments 1 and 2.

99. Staff training: There has been a positive response to the training programme. Over 300 participants will have taken part in this training programme by the end of March 2014 which should translate into improved understanding and implementation of better regulation and Task Force principles. Due to the success of the training programme to date it will be recommended as basic training for all new officials in Defra

100. Improved consultations: Defra hopes that farmers and their representative organisations will benefit from new consultation arrangements. Early in 2013 Defra set up a review of existing consultation practices which included:

- Setting up a review group comprising government officials from Defra's Better Regulation, External Communications, Press Office, and Stakeholder Engagement teams;
- Setting up an external group, comprising business representatives, key stakeholders, including the National Farmers Union (NFU) and civil society groups, to highlight areas of improvements and feedback on the proposed changes to consultations, and;
- Establishing a network with officials in other government departments to share ideas and best practice.

101. So far, as a result of this review:

- Since June 2013 all Defra consultations have been supported by an online tool 'Citizen-Space' which improves interaction with consultees, provides a better focus for answers and assists with improvement to analysis. Recent examples are the Bovine Tuberculosis and CAP consultations which have been well received. The system does not, however, prevent stakeholders from downloading or having hard

copies of consultations if they wish. It also does not prevent representative bodies from uploading responses if that is what they prefer;

- From December 2013 all Defra Regulators will publish their consultations on gov.uk using the same online consultation tools, providing a full picture of all consultations taking place as well as the resulting consultation responses;
- Defra officials and regulators can also now use another online tool, the 'dialogue app', which enables further engagement with stakeholders through crowd-sourcing techniques. This tool will be used to seek views on priorities for future reviews of Defra policies;
- Defra is looking to clarify the status of different type of consultations and, where possible, to give stakeholders advance notice of consultations in the pipeline. This results from feedback from the external group that stakeholders are often confused about the nature of the consultation and if there will be subsequent opportunities to feed in views;
- Defra is also looking at developing an email alert system for stakeholders to give them news on consultation planning, and;
- Training will be provided for government officials holding consultations to ensure that their consultation is stakeholder-focused, supported by wider forms of engagement including face to face meetings and workshops, and that they are themselves equipped to be able to undertake objective and accurate analysis of responses.

102. The consultations review is still ongoing. Final actions will be completed during 2014.

103. Improved access to legislation information: Defra anticipates that Defra-Lex will be particularly useful for people who provide advice to farmers, as all Defra legislation will be easily accessible in one place. Information related to the legislation, such as impact assessments and future published review dates, will also be found alongside the legislation itself.

Implementation Group Assessment

We have generally seen a marked improvement in the way Defra officials consult and involve the farming industry and stakeholders in its many consultation exercises. The CAP consultation process stands out to us as a model of good practice.

During the CAP consultation, despite the necessarily short timescales, Defra officials were very open to practical discussions and made quick decisions on the basis of the consultation responses to enable the focus to shift as soon as possible to the practicalities of implementing a new CAP. This worked because of the much larger and more extensive continuing discussions with stakeholders during and since the negotiations.

We would like to see the improvements to consultations applied consistently across Defra and a bottom-up approach to engagement.

Recommendation 2.08: Regulatory culture

Government Commitment 4: We will continue to work closely with Trade Associations and other industry stakeholders to encourage the use of voluntary approaches where these can achieve the results we need, instead of using regulation. Where these initiatives can be shown to be successful, we will use them as examples of responsibility sharing in the EU.

Action

104. The review of partnership approaches, published in March 2013 as part of a Defra business plan and Natural Environment White Paper commitment, concluded that industry-led voluntary approaches, such as Campaign for the Farmed Environment (CFE) and the Green House Gas Action Plan (GHGAP), could complement existing regulations and incentives in achieving a range of targets.
105. Evidence in the review suggests that looking at voluntary approaches as part of a package of interventions, including engaging with a wide range of stakeholders, means that genuine environmental improvements can be delivered without the need for additional regulatory interventions.
106. Defra keeps all voluntary initiatives under review and monitors them for progress against agreed targets.
107. Defra is committed to promoting examples of where the UK has used voluntary approaches successfully to achieve results. The CFE, co-funded by the government

and trade associations for 2013/14 and 2014/15, has been used as an example to the EU Commission of what farmers do voluntarily to protect water quality. Despite the promotion of such examples there remains a tendency within the Commission to focus on regulation with less regard for voluntary approaches.

108. Where there is scope for devolving decision-making to member states, Defra actively considers voluntary approaches rather than additional regulations.

Impact

109. The review of partnership approaches highlighted successful industry-led voluntary approaches such as the CFE, Voluntary Initiative, Tried & Tested and GHGAP. Individual success measures cannot be attributed directly to the initiatives but they have demonstrably delivered and added value to outcomes alongside existing incentives and regulations.

110. The key impact, experienced by farmers and businesses, has been co-ordinated and integrated industry-led and industry-targeted action to benefit business and environmental resilience. Clear messaging about input efficiency benefits of better farm practices to reduce greenhouse gas emissions (which are on track to meet future targets) and measures to benefit biodiversity and resource protection (where key land management targets were met) demonstrate an approach where farm profitability can be attained alongside environmental protection.

111. Working voluntarily to improve environmental outcomes, through an existing network of trusted advisors, has enabled farmers to become more actively engaged in understanding what they need to do, how to do it and the benefits to their business.

Implementation Group Assessment

Positive engagement with and support for voluntary initiatives is an innovative and exciting ingredient of culture change. Voluntary initiatives can be used to generate stronger collective ownership of issues by all involved as a result of increased collaborative working.

However, in our opinion there is a challenge about how far the industry can lead its members to actively participate in voluntary approaches and drive good practice to reduce the need for regulation. Working with the industry to incentivise and develop its leadership of behavioural change is therefore a key aspect of adopting alternatives to regulation.

There is good evidence that the industry is taking action across a range of fields (primarily environmental but also relating to animal health and health and safety) to promote better practices on farm. The Implementation Group is encouraged by this trend, especially where steps are taken in advance of a regulatory or fiscal threat.

The Implementation Group expects that where convincing voluntary action is being taken, or offered, by the industry, such action should be recognised by the government when policy or legislative choices are being made. To support the government in recognising voluntary action the industry should where possible put forward evidence on the effect of voluntary initiatives.

However, we are disappointed that as yet the European Commission appears unprepared to provide official recognition to industry-led voluntary initiatives. To address this we believe farming industry representatives need to work with the government to routinely assess the achievements of voluntary initiatives and to promote the results of these assessments to Commission staff and legislators.

Recommendation 2.10: Partnership working

Government Commitment 5: Defra will work in partnership with industry bodies to help build a higher level of trust between regulators and farmers.

Action

112. The government is committed to working closely with farming industry representatives to ensure key objectives are achieved whilst minimising regulatory burdens and the potential fears these burdens can cause amongst farmers.

113. Review of feedback approaches: In order to do this, regulators regularly engage with representatives from the farming industry in order to improve how they operate. In September 2013 Defra officials completed a review of the feedback mechanisms used by regulators who undertake on-farm inspections or visits. This review included the RPA, AHVLA, Food and Environment Research Agency (FERA), Natural England, the Environment Agency and Veterinary Medicines Directorate (VMD). The review was also extended to local authorities and the Food Standards Agency (FSA) as they also play an important role in inspecting farms.
114. The review of feedback mechanisms found that:
- All of the regulators reviewed have a mechanism through which farmers can give feedback on the way they are inspected;
 - Most of the regulators used stakeholder panels to consult a wide group of farmers on a specific policy or operational issue. For example, Natural England and RPA both have farmer panels which can be consulted by Defra officials or any other regulators. The RPA farmer panel reviewed the 2011 Single Payment Scheme application form and it was simplified as a result, and;
 - Most regulators also used focus groups to discuss specific issues with farmers or farming industry representatives. For example, the Environment Agency recently conducted a series of workshops to understand pressures on our water system. The Environment Agency also takes the approach of workshops and panels slightly further by using industry liaison groups. These are well-developed channels of communication between the Environment Agency and industry representatives, and meetings take place regularly alongside more frequent day-to-day contact.
115. Accounting for Regulatory Impact: To ensure regulators engage with the businesses they affect, Accounting for Regulatory Impact (ARI) was announced as part of the Chancellor's autumn 2012 statement. ARI requires all regulators to:
- Assess in advance the impact on business of changes in policy and practice;
 - Engage business about that impact, and;
 - Report the impact publicly.
116. Regional Inspection Forums: Defra officials have supported the NFU and local authorities in setting up three Regional Inspection Forums involving those with responsibility for farm oversight. These forums, currently established in the East of England, East Midlands and West Midlands, aim to encourage more joined up working between farmers, industry bodies and regulators and have helped to build a more open relationship between regulators and farmers.

Impact

117. Review of feedback approaches: Whilst the review found that Defra regulators, local authorities and the FSA all provide options for farmers to provide feedback, it was agreed, in consultation with the Implementation Group, and the organisations involved, that the following principles should be followed as good practice:
- Regulators should provide opportunities for feedback after each inspection, and these should be pro-actively offered to farmers;
 - These feedback mechanisms should not be intrusive and need not be expensive: customers could simply be directed to a website where they can fill in a survey;
 - Customers should always have the option of providing feedback anonymously;
 - Regulators should offer just a small number of feedback mechanisms. These should be as simple as possible, and;
 - Regulators should publish data on the feedback they receive, and crucially on the steps they are taking in response to that feedback.
118. It is hoped that existing and improved feedback mechanisms will help to reduce feelings of fear and frustration over farm visits and inspections amongst farmers.
119. Accounting for Regulatory Impact: ARI will ensure that no changes will be made to regulatory activities without first engaging with those who will be affected in order to appropriately assess and consider the impact.
120. Regional Inspection Forums: These Forums have helped to:
- Embed a more risk-based approach to inspections at a local level;
 - Encourage inspectors to share information with each other, and to contact farmers before they visit;
 - Increase the farming community's understanding of how inspections are conducted, in order to reduce the 'fear factor' associated with visits;
 - Encourage farmers to approach inspection or competent bodies for advice if they are unsure about compliance, and reassure them that this does not invite an inspection.
121. Specific achievements from the East of England Regional Inspection Forum have been:
- An agreement amongst regulators to check that an inspection has not already taken place on a farm prior to making an inspection to avoid duplicated activity.

- A drive to encourage farmers to file all their post-inspection reports in a single folder and to make this folder available to an inspector at the start of an inspection so they can be referred to in order to avoid unnecessary duplication.
- A pilot of a livestock keeper self-assessment scheme which helps to build trust between farmers and regulators and enables farmers to reduce their risk of receiving an inspection.

Implementation Group Assessment

This is all good work but we want to see more. The examples illustrate that Defra is introducing significant improvements in its regulatory culture and practices. Where it is good, it is generally excellent but performance is patchy with scope for further improvement. As an example, despite the efforts of the NFU and local authorities some of the Regional Inspection Forums have worked better than others. Where they do not work local authorities, the government and the industry need to work together to find ways to ensure inspection activity is carried out in a way that contributes to higher levels of trust between farmers and regulators, and those that have worked used as a template for others.

The effectiveness of partnership working will increase as Defra and the farming industry learn to trust each other. As practical knowledge of the farming sector increases amongst Defra officials this trusting relationship will grow.

Recommendation 2.11: Partnership working

Government Commitment 6: Industry organisations have a key role to play in developing the evidence base, which allows Defra to make robust decisions about how outcomes are delivered. Defra will use this evidence to influence EU policy-making.

Action

122. Defra continues to make good use of evidence, including that provided by the farming industry to influence EU policy, for example:

- Many industry bodies, including the NFU, Country Landowners Association (CLA), the Royal Veterinary College, and the Soil Association gave evidence which contributed to [Defra's report on Animal Health and Welfare and Food Safety](#), published in July 2013. This evidence base will inform the future direction of the UK's relationship with the EU.

123. Defra regularly conducted consultations on aspects of the CAP in order to gather evidence from industry to inform discussions with the EU.

Impact

124. Examples of the impacts of working closely with industry to gather evidence to influence EU policy include:

- Nitrates Directive: When negotiating an approach to implementing the nitrates directive with the Commission, scientific evidence presented by industry showed that using certified compost in orchards as mulch can increase yields by up to 45%, increasing both the size and number of apples. This evidence was used by the Defra negotiating team to secure changes to the nitrates regulations, which now allow for more effective use of certified compost.
- CAP Reform: Defra worked closely with farming stakeholders to identify the most burdensome provisions in the Commission's proposal for a Direct Payments regulation. These discussions helped to crystallize the UK's opposition to provisions such as 'active farmer' where the Commission's proposal would have required checking the income of almost all claimants, and capping where a very burdensome provision requiring an assessment of the cost of labour employed on farms subject to capping was proposed.

Implementation Group Assessment

We believe strongly that Defra must ensure its doors are open to working in partnership with the farming industry as well as other stakeholders. However, often the ability of all parties to find a solution to an issue rests on the industry providing good evidence i.e. going beyond opinion to undertake and share robust analysis. This is often a resource challenge for the industry and falls on the same shoulders issue after issue. We understand that difficulty, but if the industry wants to reduce regulatory burdens, it too must resource the evidence finding.

The Implementation Group believes that it is vital that Defra uses evidence to base its policy making and lobbying in Europe, including that provided by industry. A current and important example of this is on the alleged impact of neonicotinoids on bee populations. We are pleased to note that the farming industry and Defra officials are in close liaison on this issue and would encourage such consultation to continue

Recommendation 2.12: Partnership working

Government Commitment 7: Support representatives of dairy producers and processors to continue working together, with the aim of agreeing a voluntary code of best practice on dairy contracts in spring 2012.

Action

125. The farming industry adopted the voluntary Dairy Code of Practice in September 2012. 90% of producers are now covered by the Code.
126. Processors are moving positively towards a situation where all contracts comply with the Code of Practice and signatories to the Code have started their first annual review of the Code.

Impact

127. The Dairy Code of Practice will help to deliver clearer contracts on issues, such as the way price is worked out, notice periods, contract lengths and volume. It gives dairy farmers:
- Thirty days' notice of any price change;
 - A non-exclusive contract if they want to expand their businesses and their purchaser does not want to take the additional milk;
 - A choice of different price mechanisms that they can choose from when the purchaser is obtaining milk from more than 250 farmers;
 - The opportunity to terminate their relationship with their purchasers early, on payment of a penalty;
 - Automatic release from insolvent purchasers, and;
 - No retrospective price changes.

Implementation Group Assessment

The voluntary code has been introduced, and, from what we see, whilst not perfect, it is recognised as a significant step forward in the right direction in improving the contractual and working relationships in the changing face of the dairy supply chain.

Recommendations 2.13, 2.14 & 2.15: Using independent industry expertise to shape regulatory future

Government Commitment 8: Two groups have been set up to make sure that the changes committed to in response to the Task Force report actually make a difference on the ground. These are the Strategic Regulatory Scrutiny Panel and the Farming Regulation Task Force Implementation Group.

We have also established a new Animal Health and Welfare Board for England comprising experts from outside the government and senior government officials with responsibility for animal health and welfare.

Action

128. Defra established the independent Farming Regulation Task Force Implementation Group in February 2012. The group oversees the work of both the government and the farming industry in carrying out the commitments made in response to the Task Force report.
129. The Strategic Regulatory Scrutiny Panel was established in November 2011. The Panel's role is to advise and challenge Defra on its strategic approach to regulatory reform. Its remit extends across all policies and their implementation. Its responsibilities are to:
- Enquire, challenge and provide independent advice to ministers and officials on the effectiveness of strategic approaches to regulatory reform;
 - Monitor adherence to better regulation principles and take a strategic overview of regulatory plans, and;
 - Advise on strategies for engaging with stakeholders so as to ensure that their views are taken into account in the shaping of regulatory policies.

Impact

130. Farming Regulation Task Force Implementation Group: The Implementation Group has played a significant role in kick-starting culture change within Defra, specifically helping to organise opportunities for Defra officials to increase their knowledge of the farming industry through farm visits, seminars and workshops. The Implementation Group has also played an important internal challenge role on specific policies including implementation of 'earned recognition', where they were instrumental in organising and shaping the Earned Recognition Summit held in July 2013, and Water Quality and Agriculture where they helped shape a new direction of travel for the work focussed on developing workable solutions in partnership with the industry.

131. Strategic Regulatory Scrutiny Panel: The Panel has brought a useful external perspective to challenge new regulatory initiatives early when they are most malleable. Examples include one Panel member being instrumental in creating and using a ‘critical friends’ group to raise ambitions for the Smarter Guidance and Data Review to embark on a programme of cross cutting reform starting with data and guidance. This reform is designed around a business perspective of regulatory control which has shone a light on aspects previously looked at in a segregated way by different parts of Defra. Examples of useful influences in formulating future specific proposals have included regulations on water abstraction, transposing the Eco-design Directive and carbon reporting.

Implementation Group Assessment

The Implementation Group finishes its work in spring 2014. It is then up to ministers, Defra, the industry and stakeholders to drive the better regulation agenda. Recognising the importance of this issue to ministers and the Cabinet Office, we recommend that robust external challenge to the approach and implementation for the better regulation agenda is retained holding Defra to account for its continuing work. We believe this will ensure the necessary momentum and to some extent the necessary attention to detail and tension needed to drive this agenda forward.

However, such a panel should not be seen as an alternative to Defra’s engagement/evidence-gathering with the industry, but rather as a source of independent challenge to Defra’s regulatory activity and also to the industry as necessary. As such its role must be transparent with clear lines of accountability for its representations on policy making.

Recommendations 2.16: Engaging with industry at the earliest stages of developing legislation

Government Commitment 9: Work in partnership with the industry and other stakeholders in discussions on problems and any regulatory routes that are used to address them.

Action

132. Defra is committed to working more closely in partnership with the farming industry to ensure that key policies do not burden farmers unnecessarily. The department has held discussions with industry representatives and established stakeholder groups on many issues including water quality, the implementation of the new CAP, and the soil protection review.

133. More detailed case studies of partnership working are set out below.

- Water Quality: The Defra Water Quality team have established a number of collaborative initiatives with the farming industry to work out ways of improving the water environment at the same time as promoting sustainable and competitive farming. This involved strengthening engagement with the industry through a new 'water quality farmer's panel' with sector representatives, a strategy group, working groups on specific topics and several stakeholder workshops. This allowed officials and industry representatives to discuss policy development at an early stage, and often in an open and candid way. It has generated a shared understanding of the evidence base on some challenging issues and some shared principles for developing solutions.
- CAP Implementation: Defra has listened to the widest variety of views on CAP Reform during EU negotiations and has maintained this approach as it prepares for implementation in England. Specific Defra officials have established working-level groups that are considering how to implement the new CAP deal in England. The RPA engages regularly with their Technical Stakeholder group, which has representation from the National Farmers Union, Tenant Farmers Association and Country Landowners Association amongst others, keeping them sighted and engaged on developments within CAP. The CAP Delivery team are also carrying out fortnightly user research, with existing customers, on the new CAP IT system in order to learn quickly from any mistakes in its development. This has included visits to farmer kitchens to ensure the systems are workable from the farmer perspective.
- Soil Protection Review: Defra Soils team has worked closely with key stakeholders to develop a more simplified process for GAEC 1 (Soil Protection Review). The team have consulted with key stakeholders and have held two workshops on the implementation of GAEC 1 to consider how this could be achieved. The workshops involved a range of organisations including farming (both national interest groups and practitioners), environmental, academic and other soil interest groups.

Impact

134. Water Quality: As a consequence of increased partnership working to improve the water environment, there is now a joint Defra and industry set of recommendations about how to address slurry management, a better understanding of the evidence around agricultural impacts on the water environment and a greater awareness of the impacts of policy on farming businesses on the ground. On this basis there should be a better foundation to develop a joint plan for improving the water environment over the next 5 to 10 years – one which looks across water regulation silos and is based on the principles in the Task Force report.

135. CAP Implementation: Defra has held several events in recent months, attended by ministers, to hear views first-hand from a broad range of interested groups on CAP implementation. These events have been informative and have helped to shape the

formal public consultation. For example, ministers took account of views expressed in deciding to consult on as much of the CAP package as possible at this stage, and in framing the consultation questions.

136. Defra and its delivery bodies have a range of working-level groups with stakeholders that explore in detail the choices and approach to implementing the new CAP. In August Defra published two status reports: one on direct payments and one on the new Rural Development Programme (RDP) for England. These were welcomed by those interested in what the new CAP deal means for them.
137. Soil Protection Review: The headline conclusion from the workshops was that there were improvements that could be made to two key areas of the current process: (1) the soil risk assessment process and (2) demonstration of compliance with the GAEC standards. On the risk assessment process, it was felt the approach could focus more on those at greatest risk and could use a more intuitive set of risk factors than at present, something also highlighted as an issue as part of a GAEC 1 farmer evaluation survey. On compliance, most felt that the amount of paperwork could be reduced with potential opportunities for online services to improve implementation.
138. In response to this feedback, the Soils team have developed two options for revising the soil protection review and these have undergone two rounds of user testing with stakeholders to inform a formal consultation with other GAEC requirements.

Implementation Group Assessment

Where partnership working with the industry has been effective it has often happened because of the positive leadership of various Defra managers, such leadership is essential. However, we have to say that partnership working has been patchy, focussed on the start of a process or sometimes absent. The challenge to Defra leaders is to make sure that working in partnership happens everywhere and consistently. This does not of course usurp Defra's right to make ultimate decisions on regulatory matters, but is designed to improve its decision making and the quality of its work and make the processes involved feel inclusive rather than draconian.

The Implementation Group strongly applaud the work undertaken on water quality and soils where the Defra and Environment Agency teams involved have sought to discuss at the earliest opportunity the evidence and need for change and then engage closely with farmers in testing possible remedies. In similar vein, the Implementation Group is pleased with the RPA's Technical Stakeholder group, which has aimed to share early thinking, gain feedback based on practical experience and insights and share work plans concerning SPS delivery. It will have a significant role in the delivery of the new CAP.

Such actions are beacons of good practice and should be adopted more widely across the Defra family.

Recommendations 2.19, 2.32 – 2.43, 5.21, 5.22: inviting industry to draft jointly owned guidance / Reduce and reform paperwork and process/ improving guidance

Government Commitment 10: Whatever the purpose of our guidance, Defra will:

- Ensure that it delivers its primary purpose: to help farmers achieve the desired outcomes and to comply with regulatory requirements;
- Seek to avoid introducing more process or prescriptive requirements;
- Test guidance with farmers to ensure that it is clear and accessible;
- Develop new principles for producing guidance by May 2012, which will commit to involving stakeholders in drafting guidance.
- Improve the guidance we issue, for example by including "quick start" guides at the beginning of new guidance and working to make guidance documents shorter.
- RPA works with technical stakeholders and individual groups of representative farmers when developing and launching any new forms of guidance.
- Defra will minimise the number of changes and updates to guidance we provide, to reduce the amount of time businesses have to spend familiarising themselves with new paperwork and processes.
- Design forms to make them easier and simpler to use, and ask farmers and others who are using the forms to help design them, in addition to making them more tailored to their audience.

Action

139. Guidance Reforms: The Smarter Guidance Project, part of Defra's Smarter Guidance and Data Review, is now being extended beyond environmental guidance to cover all guidance issued by Defra and its agencies.

140. The project aims to ensure that:

- Businesses and others find it simple and quick to find clear information about what they need to do, including those new to the subject;
- Guidance gives confidence to users in identifying their legal obligations;
- Guidance makes compliance as easy and efficient as possible without restricting flexibility to innovate in finding solutions;
- In achieving the above, the amount of material issued by government bodies is kept to a minimum;
- There is one authoritative source of guidance, covering all relevant departmental and regulator interests, on each topic, and;
- Clear governance arrangements are in place so that guidance is kept up-to-date and is only produced when there is a clear need.

141. Much of the work will be done by the time government agencies move their websites to gov.uk during 2014 and the ambition is to complete the work by March 2015.

142. Reform of information requests: As reported in detail under Commitment 49, Defra and its regulators are reviewing all the information it asks from businesses in order to address feedback from businesses that they provide more information than necessary and that at times it can be overlapping and confusing. Information requests include forms and applications processes, compliance and performance information and any other information requested from businesses.

143. In addition, Defra is working towards a 'report once use many times' approach to data collection so that businesses provide information only once across multiple transactions. The intention is to develop systems using common data formats (to allow sharing of data across multiple systems) and non-proprietary open source software (to reduce development and maintenance costs).

Impact

144. Guidance Reforms: This work is expected to reduce the time required for new businesses to understand their environmental obligations by over 80%. It will also significantly reduce the volume of guidance.

145. Reform of information requests: The first phase has reviewed the opportunities to simplify environmental information requests. If the recommendations are fully implemented it could save businesses up to 20% of the costs of information requests.

Implementation Group Assessment

We are supporters of the Smarter Guidance and Data Review work and the principles behind it.

The goal should be clear, simple and influential guidance produced to cover complex issues and available in a ready to print or e-copy platforms suited to a very diverse farming industry. The guidance ought to be definitive, and must be clear on this point, and agreed and reviewed with industry representatives and stakeholders during its development. We believe this is Defra's objective and we strongly support it.

Recommendation 2.20: Strengthening Government's agricultural expertise

Government Commitment 11: Defra will encourage staff working with the farming sector to undertake farm visits facilitated by industry organisations.

Action

146. Defra recognises that an understanding of farming practices is important for any government official that is developing and implementing policies that primarily affect the farming industry.
147. Defra staff are strongly encouraged to undertake farm visits and agricultural training, and are supported to do this through the 'Working with the Farming Industry Training Strategy' agreed by the Implementation Group. Defra has developed this strategy to improve the ability of government officials to learn from and engage effectively with the farming industry; to increase understanding of farming; and to strengthen the government's agricultural expertise. The 2013 strategy included a programme of farm visits, seminars, workshops, training courses and a Defra Farming Week. With endorsement from the Implementation Group Defra have updated the strategy for 2014.
148. Farm Visits: Two-day 'walk the chain' visits were arranged for both the poultry and the dairy industry. Three one-day visits were organised to arable and horticultural farms and an organic dairy farm with educational access. Staff also visited Smithfield Market. These visits were open to government officials including those developing policy, scientists, economists and lawyers. In addition to these visits, individual policy teams visited a range of farms to discuss specific issues with farmers.

- Seminars: The NFU, CLA, Food and Drink Federation and RSPB gave seminars explaining their work.
- Workshops: Farmers led five farming workshops on the dairy, arable, beef, pigs and fruit sectors and the CAAV led a workshop on farm businesses.
- Training courses: A three-day introductory agricultural training course was held for staff in 2013 and it is planned to repeat this in 2014. Hill farming training courses are also planned for 2014.
- Farming Week: To raise awareness of sustainable farming practices and offer opportunities for all staff to improve their understanding of farming, a Defra 'Farming Week' was held in April 2013. This included a 'market place' event with stands organised by the Agriculture and Horticulture Development Board, BPEX, LEAF (including LEAF Marque and Open Farm Sunday) and the Farming Regulation Task Force Implementation Group.

Impact

149. As part of this programme, 111 Defra staff went on a farm visit, 13 went on the market visit and 18 attended the introductory agricultural training course. Attendance at each seminar and workshop has ranged up to nearly 70 people. Several hundred staff attended the Farming Week events. In addition to the activities in the programme, many other members of Defra teams discussed specific issues with farmers and visited farms.
150. Feedback from all the visits has been very positive, with staff hugely appreciating seeing issues on the ground and discussing them with farmers. This has increased Defra officials' understanding of the key issues currently facing the agricultural sector and allowed them to hear first-hand views about the impact of Defra policies/services on farmers. Feedback from the introductory agricultural training course was extremely positive, with colleagues reporting that they felt much better equipped to work with farmers and they particularly appreciated the farm visits and the evening discussions with local farmers. The workshops and farm visits have strengthened Defra officials' working relations with farmers, several of whom have encouraged officials to contact them for follow-up discussions.

Implementation Group Assessment

Defra has to understand the industry it regulates for it do that competently, effectively and efficiently, commanding the respect of those affected.

We strongly support this training strategy which is a key ingredient of culture change as suggested by the Task Force. We urge government to make sure it continues. The critical part is that it is important that training engages government officials across all grades. The Implementation Group believe that senior government officials should make time and be positively encouraged by other stakeholders to participate in such programmes, and by doing so demonstrate by example in understanding the industry that Defra regulates. We urge Defra to monitor participation levels in this programme to give a measure of how engaged staff are.

It is crucial that this work is resourced to continue in a way with clear learning outcomes so that Defra officials are able to competently set the policies they develop into context.

Recommendation 2.20: Strengthening Government's agricultural expertise

Government Commitment 12: Jointly with the NFU, launch a business exchange programme in April 2012.

Action

151. Resource constraints within both Defra and the NFU meant that it was not possible to agree a formal programme of exchange. Through Defra's 'Working with the Farming Industry Training Strategy', agreed by the Implementation Group, alternative ways have been found to increase understanding of farm practices and considerations.
152. As demonstrated by the training strategy, Defra is committed to strengthening its agricultural expertise and will keep opportunities for business exchanges under review.

Implementation Group Assessment

It is clearly a disappointment that this has not happened, but it is not a major concern. There are other ways for Defra and farming industry organisations to work closely and learn from each other. In an era of limited resources, the important need is that a wider group of Defra staff have some engagement with food and farming.

Recommendation 2.27: Making penalties proportionate

Government Commitment 13: Pilot Compliance and Enforcement Plans for a few selected new regulations. This will be a new step in our policy development process, and means we will be working with delivery partners and stakeholders to explicitly consider:

- Clear definition of outcome;
- Compliance rate required to achieve outcome;
- Impact (or risk) or non-compliance;
- Permitted or licensed activity;
- Business engagement plan;
- Local or national delivery;
- How compliance will be monitored – opportunities for co-regulation, earned recognition;
- Advice and guidance – including ownership, methods of delivery and adherence to Code of Practice on Guidance;
- Plans for targeting the deliberately non-compliance;
- Incentivising compliance;
- Sanctions for non-compliance - criminal, civil;
- Powers of entry, and;
- Plans for monitoring and evaluating.

The pilots will commence before the end of December 2012.

Action

153. Through completion of the policy appraisal assessment stage of the PIMMS process, detailed under Commitment 1, which is to be completed for every new policy under consideration, teams are explicitly asked, amongst other things, to work with delivery partners and stakeholders to consider:

- What are the policy objectives and the desired effects as well as outcomes?
- Why is government intervention necessary?
- What level of compliance would be regarded as tolerable?
- If regulatory who would enforce the regulations have they been engaged/consulted on?
- What activities and outputs need to happen in the short, medium and long-term?
- What behaviour issues are involved and need changing?
- Have you explored alternatives to regulation?

154. These questions help prompt a greater consideration of monitoring and evaluation of policies and ensure that businesses have the opportunity to shape work on compliance.

Impact

155. Consideration of these questions by government officials will help achieve earlier and more meaningful engagement on compliance and enforcement considerations with those who should be involved in the decision process, including key stakeholders, regulators, analysts and lawyers, leading to more effective policy development and implementation.

156. Also see Commitment 3.

Implementation Group Assessment

It is important that consideration of compliance and enforcement issues is embedded into the PIMMS process if it is to have an impact on farmers.

We support the need for every regulatory agency to have a published enforcement strategy, as required under the new Regulators' Code, and recommend that these strategies should be developed in consultation with their regulated sector; otherwise, it is merely an academic exercise.

Recommendation 2.27: Making penalties proportionate

Government Commitment 14: The Environment Agency introduced civil sanctions for minor breaches. These include enforcement undertakings which enable a person who a regulator reasonably expects to have committed an offence to voluntarily take corrective action rather than face further proceedings. A full report of the first year will be published in early 2012.

Action

157. The Environment Agency and Natural England were granted the power to use civil sanctions for a range of offences in the Civil Sanctions Order (England) in April 2010. Following public consultation the Environment Agency began using their powers in January 2011; Natural England in January 2012.
158. The Environment Agency published a report of the first year of use. Both [Environment Agency](#) and [Natural England](#) publish details of all enforcement undertakings accepted, alongside their guidance to civil sanctions.
159. Enforcement Undertakings are available and consideration is currently being given to any potential benefit there may be in introducing these.

Impact

160. To the end of 2013 the Environment Agency had received 158 enforcement undertakings of which 94 were accepted; 68 of the 94 were completed. They also issued 14 Fixed Penalty notices and one Variable Monetary Penalty. Natural England had accepted three enforcement undertakings to the end of 2013
161. As the majority of the enforcement undertakings relate to packaging offences; there is likely to have been limited noticeable impact on farmers.
162. Defra have recently commissioned a research project to evaluate the impact of civil sanctions from both a regulator and business perspective; this is due to be completed in spring 2014.

Implementation Group Assessment

Whilst we accept enforcement undertakings are likely to have had a limited impact on farmers, but in principle we believe proportionate penalties should be applied consistently. In this respect we are convinced that applying any form of civil sanction in addition to cross compliance sanctions are inappropriate for the same breach.

Recommendation 2.27: Making penalties proportionate

Government Commitment 15: The Environmental Permitting framework will be extended, where the benefits warrant it and business supports it. For April 2012, civil sanctions will be introduced to enable the Environment Agency to apply a wider range of proportionate enforcement responses to secure compliance with environmental permitting regulations, and to make some further simplifications.

Action

163. The extension of the environmental permitting framework is covered under Commitment 70 in Chapter 6 of this assessment.
164. The government position on civil sanctions has changed. Better Regulation Executive guidance was published in November 2012 restricting the use of monetary civil sanctions to companies with over 250 employees. The availability of civil sanctions for use by the Environment Agency will be informed by the outcome of a research study on their use in securing compliance in other regulatory regimes. The review, commissioned by Defra, will provide evidence as to whether their application over the last two years has proved beneficial to businesses and regulators. The results of this research, expected spring 2014, will help determine which of the available civil sanctions should be considered as additional enforcement options for environmental permitting.

Impact

165. The regulatory change necessary to enable the Environment Agency to make use of civil sanctions will be considered in the light of the research findings.

Implementation Group Assessment

See assessment of Commitment 14.

Recommendation 2.28: Making penalties proportionate

Government Commitment 16: Defra will press the case for proportionate penalties in EU rules.

Action

166. The UK always pushes for proportionate penalties in EU negotiations. The concept of proportionality is encapsulated in EU Treaties, and this is the basis for all EU legislation involving penalties. See Chapter 7 for more specific details of how this was done as part of CAP negotiations.

Impact

167. What the UK government has tried to do is make the concept of proportionality even more explicit in agricultural legislation. Detailed discussions of CAP implementing legislation have taken place and the UK government continued to make legislative proposals that put as much detail into the legislation as possible. Therefore leaving as little ambiguity as possible as to how penalties should be calculated.

Implementation Group Assessment

The Implementation Group is pleased that Defra is actively seeking proportionality in EU penalties.

Recommendation 2.30: Introducing general licences where possible

Government Commitment 17: Regulators will discuss with farmers what licences could be usefully bound together, whilst ensuring farmers are aware of their obligations. Any new combinations will be available within 18 months. Natural England are also looking at expanding Class Licensing Arrangements to allow people to only register once to undertake some activities that would otherwise require several licence applications.

Action

168. General and class licences are part of routine policy thinking and have been in use for over a decade.

169. Natural England continues to offer General and Class Licences where the law allows to enable farmers and other users to take swift action where there is a need to resolve problems caused by protected species. They have fully supported the Law Commission's work to review wildlife legislation, including supporting proposals to enable use of general and class licences for a wider array of activities and species.
170. In the meantime, Natural England's work to expand the use of class licences within current legal constraints has progressed well; there are now 11 Class Licences for managing conflicts with protected species, including new licences to enable ditch and water-way management (ramshorn snail), and forestry and agricultural operations (badgers). These licences allow landowners and farmers to carry out routine management activities under the terms of a standardised class licence, avoiding the need for expensive bespoke applications. Defra officials are also introducing an enhanced range of organisational licences. For example, the Canal and River Trust licence is about to be issued allowing waterway management activities to be carried out over the entire canal network in England (which may not benefit farmers directly but could benefit indirectly if it helps prevent flooding).
171. Looking to the future, Natural England is consulting on the current suite of General and Class Licences this spring, responding to changes requested by stakeholders to the species and activities permitted under General and Class Licences.
172. In February 2014 Natural England will introduce a new online applications system that will make it easier for farmers and other users to apply for and see at a glance all of their licensed activities.

Impact

173. General and Class Licences reduce and sometimes avoid costs associated with getting wildlife licences where risks are low by avoiding the need for bespoke applications. The level of saving varies between activity types. Natural England estimates that the Ramshorn Snail Class Licence could save affected land managers up to £100,000. Natural England will gather customer views on likely savings during the forthcoming consultation on General and Class Licences.

Implementation Group Assessment

The principle of general and class licenses seems to be well understood but we feel there are further opportunities where it could be applied, including watercourse maintenance.

The Natural England consultation makes some helpful changes, however we note that changes suggested to the conditions of the general licences can undermine the benefits offered by such an approach if it becomes impractical or burdensome. In general, we feel that this is only the tip of what is possible more widely and we would want to see consideration of general licences where feasible by all parts of Defra. It is good regulation provided it is clearly risk assessed; and it saves regulators money and enables them to focus on areas of real risk.

Recommendation 2.31: Introducing maximum response times and fixed decision points

Government Commitment 18: Regulators will agree interim decision points with developers who have complex applications, for example to identify show-stopping issues before committing to further expense. Generally, these arrangements already exist, but we will make the process clearer.

Action

174. Regulators continue to promote and develop their pre-application advice services available to all businesses.
175. Regulators are providing more support and advice on the interaction between the planning and non-planning permitting process so businesses can be better informed from the outset, reducing the risk of potential show-stopping costly issues arising. New guidance published in October 2012 by the Environment Agency explains to business how best to make [applications for planning permissions and environmental permits](#).

Impact

176. Farmers have benefited from having clearer guidance on the process of obtaining the correct permitting applications.

Implementation Group Assessment

We support this change and see it as good practice where there is a material outcome improvement on farmers.

Recommendation 2.31: Introducing maximum response times and fixed decision points

Government Commitment 19: Implement the Penfold review of non-planning consents to give:

- 13 week decisions on most environmental permissions;
- Creation of Environmental Account Managers for complex multi-regulator applications;
- Improving linkage to non-planning consents through the planning commitment.
- We will seek to make the 13 week decision time statutory at the first opportunity, replacing decision times where these are currently longer.

Action

177. The Penfold commitment to ensure that the Environment Agency and Natural England determine permit applications within a maximum of 13 weeks has been delivered. This target has been met or bettered consistently since September 2012.

178. This regulatory change is no longer considered necessary as revised operational arrangements are delivering this commitment.

179. Defra has consulted on the concept of appointing environmental account managers and ran a pilot scheme from April 2012 to August 2013.

180. The pilot found that:

- An initial pilot meeting including representatives from planning authorities helps establish which relevant regulatory bodies are required to deliver a new development;
- Feedback from developers identified a more unified approach/message coming from the respective agencies streamlining the process, and;
- Defra's regulatory bodies closer working relationships with industry and local government, the development of new national account managers and the Environment Agency's creation of area permitting liaison managers have gone a long way to meet the original need that environmental account managers were expecting to provide.

181. Defra do not intend to pursue this commitment in this format as the concept of environmental account managers has been superseded by newer initiatives such as the Consenting Services Unit.

182. DCLG and the Environment Agency have improved the links connecting the Planning Portal with the environmental permitting webpages. A more detailed feasibility study was undertaken to determine if these links could be further developed to include sharing basic application information. The study concluded that the technological changes required could not be justified on cost benefit grounds but will be kept under review.

Impact

183. Those farmers who have submitted more recent permit applications will have benefited from knowing that their application would be determined within 13 weeks (although the majority will have been determined well within that period). This has helped farmers to better plan for developments and ensures seasonal variation can be accounted for.

184. It would be unusual for farmers to propose the sorts of developments that might have benefited from the creation of environmental account managers. Nevertheless, the Consent Services Unit is now in a position to provide support for complex developments where more than one regulator is involved with non-planning permitting applications. More generally environmental regulators have improved their joint working arrangements which should make them easier for farmers to interact with.

185. Valuable lessons have been learnt from developing the environmental account manager concept and running the pilot project. These have been shared with newer initiatives since put in place.

186. Farmers will have benefited from a clearer pathway between the Planning Portal and Environment Agency permitting site.

Implementation Group Assessment

We believe this is a good outcome.

Recommendations 2.32-2.40: Reduce and reform paperwork and process

Government Commitment 20: Review the Paperwork Plan twice a year.

Action

187. Defra remains committed to reducing the burden of paperwork on farmers. The [Paperwork Plan](#), published in December 2011 was last updated in July 2012. It set out Defra's progress on reducing the burden of paperwork on farmers and food processors. The decision was taken after this publication to not provide another update in December 2012 as Defra wanted to focus on delivering outcomes of reduced paperwork burdens rather than publishing more plans.
188. Work to reduce the burden of paperwork on farmers continues through several initiatives including the Smarter Guidance and Data projects.
189. As part of the Smarter Guidance Review, Defra is rationalising all environmental guidance to make it easier, quicker and clearer to understand what rules apply and what to do. Much of the work will be done as government agencies move their website content onto gov.uk during 2014. By then content plans will also be published setting out in detail how Defra's guidance will look. The ambition is to complete these reforms by March 2015.
190. The Smarter Data Review is investigating how the burden of information requests, including forms and application processes, compliance and performance information and any other information requested from businesses, can be reduced. This is in response to the conclusion that many businesses feel they provide more information than necessary and that at times it can be overlapping and confusing.
191. The basic principles behind the review is that information should only be collected when it is:
- Essential to meeting minimum EU obligations; or
 - Essential to making a decision/approval; or
 - Required to verify compliance with regulation.
- And:
- No alternative and better means to achieve these are available;
 - Only the minimum amount of information required to achieve the outcome is requested, and;
 - The data collection is undertaken in the most streamlined manner available.

192. The review is being done by independent business compliance experts. The broad process is:

- Understand why information is collected and how it is used working with the regulator;
- Interview business to understand their perspective and how hard it is to report;
- Review initial proposals in a challenge session, and;
- Make recommendations to Defra.

193. Recommendations for simplification of environmental information requests have already been proposed with further simplification proposals for farming information requests being put forward in 2014 with an implementation plan due for publication in June 2014.

Impact

194. Smarter Guidance Review: Defra expects simplified guidance will reduce the time required for new businesses to understand their environmental obligations by over 80%. This will be achieved because the Smarter Guidance Review is comprehensively reviewing and improving the quality of information – making sure it is relevant, removing duplicate content, and making sure what remains is clear, concise and focused on the needs of its users.

195. Smarter Data Review: Recommendations from independent researchers have already been made to Defra for reducing the burden of environmental information requests. The expectation is that Defra will implement those that make genuine improvements for businesses subject to affordability and costs and benefits. Defra committed to ten quick wins in January 2014 including:

- Providing the facility to use an electronic waste tracking system to automatically collect national operator waste returns (NOWR) data. This will provide a facility for companies to run a quarterly report on the waste that they have handled. However the national electronic duty of care (EDoC) programme is voluntary so the benefits that can be delivered are dependent upon the uptake of EDoC by businesses, and;
- Eliminating the need for businesses to submit data relating to their resource use (Resource Efficiency Physical Index), saving businesses over 43,000 hours every year.

196. An implementation plan for environmental information requests will be ready for March 2014, and farming information requests by June 2014. Defra officials expect to

implement these reforms by March 2016. If fully implemented it could save businesses up to 20% of the costs of information requests.

197. Actions from this review, if implemented, that will have an impact on farmers may include revoking notification requirements for new Silage, Slurry and Agricultural Fuel Oil (SSAFO) storage facilities and screening low-risk applications from requiring agreements to use herbicides in or near water.

198. Actions from the paperwork plan:

- In 2013 55,851 farmers submitted electronic Single Payment Scheme (SPS) applications, 54% of total claims received in 2013. Some used third party suppliers but the majority used the SPS online system through which users can access their data, track claims, check and mend errors and receive an instant on-screen acknowledgement that the RPA has received the application. Feedback on this system has been very positive and officials are working to further streamline the process and increase use further.
- The Environment Agency simplified the process of applying for Environmental Permitting Regulation (EPR) permits by providing fact-sheets, templates and examples of what is needed to satisfy permit conditions. These were developed with Environment Agency's EPR intensive pig and poultry industry liaison group.
- In direct response to requests made by farmers attending data sharing workshops, Defra officials amended the covering email for the electronic version of the June survey to give an explanation of why the information requested is needed and what it is used for.

Implementation Group Assessment

We are unconcerned about the decision not to reproduce six monthly paperwork plans as what really matters is improved outcomes. In accepting the reasons for not producing the paperwork plan we do not exonerate the government from continuous examination of how to reduce processes which are costly to both farmers and regulators.

The achievements above show really good progress and as already stated we are supportive of the Smarter Guidance and Data work which we hope succeeds in delivering simpler but still effective guidance and reduced information requests on farmers.

We are, however, concerned about the usability of gov.uk and raise the issue that publications need to be rationalised, with clear links and signposting and need to be accessible enough to work on all formats. Going digital does not necessarily remove paperwork burdens if it just shifts the burden of printing onto the customer. This concern makes the Smarter Guidance and Data work, and its aim to make sure information is focussed on the needs of its users, even more of an imperative and we urge its rapid implementation.

Recommendation 2.32-2.43: Digital by default

Government Commitment 21: Move to providing services 'digitally-by-default' and will launch a single government website in late 2012. This will bring all government information together under the Government Digital Service (GDS) badge.

Action

199. [Defra's digital strategy](#), published in December 2012, sets out the 'digital by default' vision and the actions that the government will take to deliver on its ambition.
200. The strategy aims to provide digital services so good that people prefer to use them, while providing alternatives for customers that are genuinely unable to get online.
201. Defra have selected two transactional 'exemplar' services that will be redeveloped in line with the GDS's 'digital by default service standard'. These are:
 - The CAP Delivery Programme, led by Defra, the RPA, Natural England and the Forestry Commission, and;
 - Waste exemptions registration, provided by the Environment Agency.
202. Both of these services are high-volume, with over 100,000 transactions per year. Each is a different type of transaction, with the CAP Delivery Programme involving someone applying for benefits and someone registering a waste exemption.
203. CAP Delivery Programme: The CAP Delivery Programme has been set up to design, procure and implement the solution that will deliver the European Union's new CAP. This involves assessment against complex rules on food production, environmental performance and land use for approximately 110,000 claimants in England. Over 50% of these applications are now submitted online.
204. The CAP is currently delivered through over 40 schemes by four delivery bodies that each have their own IT systems.

205. Gov.uk: Also, as part of the 'digital-by-default' agenda, in April 2013 Defra transferred its corporate and policy information onto the single government website (www.gov.uk). Defra and its regulators are working closely with the GDS to move the websites of the whole Defra network over to gov.uk. All Defra regulator websites will be moved to gov.uk on a rolling basis during 2013 and 2014. They are maintaining a strong focus in their transition planning on continuing to meet customer needs.

Impact

206. It is estimated that going digital will save taxpayers up to £1.2 billion by 2015 and around £1.7 billion a year thereafter.

207. CAP Delivery Programme: From 2015 this programme will introduce a single IT solution with digital delivery as a core design principle. In particular, it will provide the following benefits:

- Ease of use for customers;
- Greater use of the digital channel;
- More efficient processes;
- Common IT solution across schemes, and;
- Reduced exposure to penalties.

208. Gov.uk: While there were some transitional problems with the gov.uk search function, the transition of Defra information to this new website was relatively seamless without adverse customer impact. Visits to the gov.uk website as a whole have increased since April 2013 and the volume of user complaints continues to decline. The site also won a 'Design of the Year' award.

Implementation Group Assessment

We are in full support of the digital by default approach given the significant savings it offers for farm businesses and the opportunity for improving access to information.

Our view is that a single digital entry point for all farmers is a key driver for better regulation and should remain a very high priority for the government.

We commend what has been achieved so far, although stress the need for easy access to the entry point. The ultimate success of this work rests on the availability, speed and capability of online access in rural communities, and the competence of the design of new IT systems.

There is a long way to go on this initiative, including making gov.uk site more user friendly but we recommend that the government pushes on with digital as quickly as possible.

Recommendation 2.32 – 2.43: Digital by default

Government Commitment 22: Establish superfast broadband connectivity to a minimum of 90% of UK premises, and a standard service to the remaining 10%, but capable of upgrade to a superfast solution in the future.

Action

209. The government's rural broadband programme, managed by Broadband Delivery UK (BDUK) is progressing. The pace of progress is accelerating, and 10,000 premises a week are now being given access to superfast broadband across the UK under the programme, which will increase to about 40,000 a week by summer 2014. By the end of the Programme, public investment of £1.2 billion will have resulted in over four million homes and businesses across the UK having superfast broadband available to them who would not have otherwise got it. The BDUK broadband [google map](#) shows progress on delivery of projects. Ofcom's [interactive map](#) gives a picture of speeds and availability of fixed broadband across the UK as at October 2013.
210. An extra £250 million government investment, the Superfast Extension Programme, will help reach 95% of UK premises with superfast broadband by 2017. The government is now exploring with industry how to expand superfast coverage further using more innovative fixed, wireless and mobile broadband solutions.
211. The joint Defra/BDUK Rural Community Broadband Fund (RCBF) is also playing a key role in providing opportunities for some communities in the most hard to reach locations to get superfast broadband sooner. More than 110 expressions of interest have been submitted under the fund and a total of 30 individual full applications have been invited to go forward for consideration. Two projects in Rothbury, Northumberland and Fell End, Cumbria have been contracted and are in delivery. Three further projects have received pre-contract approval and a number of further projects are expected to be approved to proceed by early summer 2014.
212. Defra has worked with businesses to produce a [video](#) explaining the benefits of rural broadband and showing how different businesses, including farming-related ones, have benefitted from going online.

Impact

213. It is estimated that 90% of UK premises should have access to superfast coverage by early 2016. This will support new, and safeguard existing jobs, balance growth across sectors and the whole of the UK, help businesses compete internationally, support well-being and improve quality of life, as well as provide access to a wide and increasing range of public (and private) services available online.

Implementation Group Assessment

We have received widespread anecdotal evidence from the farming community that lack of (fast) broadband access is a major hindrance.

Good access for all farmers opens up major opportunities for digital only regulatory and guidance functions, which dramatically reduce burdens, improves compliance and can save regulators large sums of money. Having access to fast broadband, or other technologies which may overtake the need for broadband, is therefore vital to realising the better regulation agenda, a lot of which is based on digital communication. We believe this is not only of benefit to the industry but the wider rural community as a whole.

In this context we are disappointed that the Government's digital rollout has progressed more slowly, especially in rural areas, than was first planned. As a consequence there are more 'not spots' than desirable and even by 2017 5% of business premises will be without broadband access. This being the case Defra must retain some capability to provide alternative solutions for the "can't connect" business community.

Recommendation 2.32 – 2.43: Digital by default

Government Commitment 23: Move services online, for example moving pig movement reporting from a paper based system to electronic in October 2011 saving time as it pre-populates basis information. Similar systems for e-reporting will be introduced by spring 2013 and "The Guide to Cross Compliance in England" will be moved online from 2013.

Action

214. Electronic reporting: An e-reporting service for the movement of pigs was phased in from 1 October 2011. Over 92% of pig movements are now being reported electronically.

215. Electronic reporting for sheep and goats will be phased in from April 2014. It will be mandatory for markets and abattoirs to report movements electronically; this will account for around 70% of the total movements reported. Sheep keepers will continue

to have the choice to submit movements by paper, but will be encouraged to electronically report wherever possible.

216. Online submission of information: As reported under Commitment 49, Defra officials are working towards a 'report once use many times' approach to data collection so that in the long-term, businesses provide information only once across multiple transactions. Rather than developing a single system for all data reporting obligations, Defra officials are working in an agile way, redeveloping a single system (the Environment Agency's waste carriers, dealers and brokers system) which will deliver short-term benefits, to test feasibility before extending the concept to other systems.
217. The long-term ambition is to develop systems using common data formats (to allow sharing of data) and non-proprietary open source software (to reduce development and maintenance costs). Defra have submitted a capital bid for funding to support delivery of this work, which is currently being considered.
218. Online Sheep and Goats Inventory and June Agricultural Survey: Following a successful trial in 2012/13 the option of using online inventory has been offered to approximately 17,500 keepers as part of the 2013/14 exercise. Take-up has been very encouraging with just over 14,000 successfully submitting online by the beginning of March.
219. Lessons learned from the Sheep and Goats Inventory have helped Defra officials develop a more user friendly and cost effective solution to the June Agricultural Survey. The 2013 survey was completed online by 45% of total respondents. Improvements to the online survey in 2014 will help the government build on existing take-up with the aim of increasing numbers to around 60% of sampled farmers.
220. Online publication: As also referenced under Commitment 102, cross compliance guidance for 2014 has been provided as a primarily online resource. To facilitate this switch in emphasis, wherever possible, farm business email addresses have been used as the primary means of contact. This enabled approximately 45,750 customers to be emailed a link to the online guidance, equating to approximately 40% of the total cross compliance population. This represents a substantial move forward in digital delivery of guidance.

Impact

221. Electronic reporting: It is estimated that e-reporting for sheep and goats will deliver savings to the farming industry of around £71,000 pa, resulting from a reduction in time taken to complete movement forms and savings in postage. It will also deliver quicker, more accurate movement data which in a disease outbreak will enable the government to respond quicker which could reduce the duration of an outbreak and its associated costs.

222. Online submission of information: An ‘Amazon’ type experience for users will result in pre-population of forms, saving business the time and expense of providing duplicated information. There would be increased transparency and accessibility of data, which could support compliance activity. From a regulator perspective, this approach should result in reduced system costs enabling them to direct resources to higher value activity (i.e. targeting non-compliance).

223. Online publication: Providing the cross compliance handbook online means that farmers have access to consolidated up to date information. Communicating via email allows the government to tell farmers about changes quickly. Services provided over the internet represent better value for money and help to reduce public spending.

Implementation Group Assessment

We very much support this approach but for it to succeed it is vital that Defra has the capability to deliver services online and that the services developed are accessible to all members of the Defra ‘family’.

Recommendation 2.32 – 2.43: Digital by default

Government Commitment 24: Establish an industry-government group to advise on how to help farmers move online.

Action

224. Defra Digital Group: The Task Force made a number of recommendations on increasing the amount and quality of information available to farmers and other members of the industry online. The Defra Digital Group was set up with the aim of involving industry in the development and implementation of the governments ‘Digital by Default’ approach. Working together members of the farming community, representative bodies and Defra officials aimed to:

- Oversee and monitor progress in implementing digital by default;
- Prioritise action, to enable the government and industry to use existing resources effectively on the important issues, including considering the extent to which the government should retain a role in/responsibilities for, producing particular advice and guidance for dissemination through electronic media;
- Identify barriers to progress and develop solutions to help speed up progress;

- Create a partnership between the government and industry on issues that may be raised by the initiative, for instance jointly communicating and promoting it within the agricultural industry;
- Communicate progress and engage stakeholders in implementing the initiative, and;
- Provide an effective challenge function to ensure implementation delivers benefits and represents value for money.

225. The group met a number of times during 2012 and 2013 and fed useful comments and suggestions into a range of online developments. However, it became increasingly clear that the group's remit, membership and timing overlapped with the established Farmer Information Group.

226. Group members pointed out that integrating the two meetings would be a better use of everyone's time, given the commonality of membership and focus between the two groups, although group members were clear that the Digital agenda should not be lost in the wider communication agenda of the Farmer Information Group.

227. Farmer Information Group (FIG): The FIG is made up of representatives from a wide range of farming organisations and the Defra network. The aim of the FIG is to scrutinise communications to farmers from the government and to streamline these communications, where possible, reducing the administrative burden.

228. In particular, the RPA have been helping farmers move online by working with industry stakeholders to improve the usefulness of online services (such as the development of Single Payment Scheme (SPS) online enhanced tracking and receipt printing functionality which is highly valued by customers) and providing a dedicated customer telephone helpline where more practical queries raised by customers can be addressed. In 2013 this service was highly rated by customers in their feedback and over 11,000 calls were taken.

Impact

229. As part of the Single Payment Scheme (SPS) digital uptake activities the RPA have encouraged farmers to 'Go online' whether that be to post details of their cattle births, deaths, and movements or submitting their annual SPS claim. Current figures show that in 2013 57,711 of SPS claims were submitted online meaning that for the first time more farmer claims are submitted online than by paper. Cattle Tracing System (CTS) online transactions are high with over 16.9 million online transactions a year (July 2012-June 2013) making it one of the government's largest and most successful online service.

230. Other key successes of the FIG include:

- The RPA developing a better customer insight and segmentation framework to understand different businesses, their needs and how they need to take these into

account to deliver payments and create a better service experience for farmers, and;

- Upgrading the Farming Advice Service (FAS) Event alert system to include government-led events to improve co-ordination of activity across government and with farming stakeholders.

Implementation Group Assessment

When initially set up the FIG had been considered by many to be ineffective. However, it has now turned into a useful forum for improving communications with farmers.

We believe positive next steps for the FIG would be to ensure support of its members, from both the government and farming industry, remains strong, and to promote its key achievements more widely.

Recommendation 2.44-2.46: Understanding farmers to influence behaviour

Government Commitment 25: Develop more flexible sector-based policy options that respond to local contexts and situations.

Work in partnership with industry groups to adopt an approach that is more behaviour-based.

Continue to develop expertise on influencing behaviours to help inform alternatives to regulation.

Action

231. Increased partnership working between the government and industry is naturally bringing Defra and its regulators closer to customers helping to better understand local contexts and improve capability to respond to them with appropriate policy options.

232. For example, the Environment Agency has a sector plan for agriculture which drives their delivery of national objectives, however, local Environment Agency staff further develop this plan using local contexts and input from stakeholders gained through initiatives such as the Campaign for the Farmed Environment (CFE). The Environment Agency is therefore better able to target actions which are compatible for farm businesses in their local area.

233. Discussions within the Farmer Information Group (FIG) have responded to the challenge of being flexible to local contexts by agreeing different communication approaches for different businesses. For example as mentioned under Commitment 24, the RPA has developed a customer segmentation framework to understand different businesses, their needs and how they can take these needs into account to deliver payments and a better service for farmers.
234. A research study has also been completed which has assessed audience engagement methods for open policymaking.
235. Research has also taken place on the effectiveness of policy options for delivering environmental outcomes. This work aims to encourage consideration of a full range of environmental regulatory instruments which may be better tailored to different local contexts and situations:
- [Science Direct - Better by design: Rethinking interventions for better environmental regulation](#)
 - [Wiley Online Library – Environmental Policy and Governance](#)

Impact

236. Through increasing government awareness of the diversity within the farming industry, farm businesses will benefit from more tailored services.
237. The results of the study into audience engagement methods are being incorporated into Defra's training course on stakeholder engagement and consultation.
238. Defra and the Better Regulation Executive (BRE) have agreed to jointly fund evaluations of early examples of alternatives to regulations with a view to understanding their impacts and potential for wider application to other policy areas. The results of these evaluations will become available in 2015.

Implementation Group Assessment

It is difficult for us to understand the benefits in practice, but the principles behind this work of the government better understanding its customers and tailoring its response has got to be right.

It is welcome that Defra officials recognise end user involvement as critical to delivering successful outcomes and hopefully long term culture change will ensure this is a continuous process. This should help produce policies that are more effective at achieving outcomes and therefore reduce the build-up of frustrations amongst farmers that are created by adopting 'tick-box' regulation.

Recommendation 2.49: Engaging in the EU: more, earlier and in partnership

Government Commitment 26: Continue to encourage the use of review or sunset clauses in EU legislation where they are appropriate. We will encourage the European Commission to continue to conduct post-implementation reviews and involve stakeholders in them.

Action

239. The UK government always encourages the use of review or sunset clauses in EU regulations, where appropriate. The Commission's 'regulatory fitness' communication contains a commitment to evaluate legislation in order to ensure it is working as intended and to identify opportunities to cut or simplify regulations. This commitment was made in response to calls from the UK government and other member states.

Impact

240. Some major EU proposals of interest to farmers include:

- any financial proposal e.g. CAP;
- Waste Legislation;
- the Health and Safety Framework Directive, and;
- Agency Workers Directive etc.

Implementation Group Assessment

We acknowledge the work of the government in encouraging the use of review or sunset clauses in EU regulations. We strongly recommend that this be a permanent consideration in approaching all regulatory proposals.

Recommendation 2.51: Placing the end-user at the centre of EU policy-making and regulation

Government Commitment 27: Push EU institutions to ensure that policy decisions are always based on evidence and that impact assessments are properly scrutinised by the Council and Parliament so that likely effects of legislation on the end-user are always fully considered.

Continue to call for a dedicated impact assessment capability in the Council, and hold the Commission to account on its commitment to exempt micro-businesses from new legislation or develop lighter regimes where this isn't possible, and to deliver on its commitment to 'think small first'.

Action

241. Regulatory Fitness and the Prime Minister's EU Business Taskforce: In October of 2013, the Commission published its Regulatory Fitness ('REFIT') report, setting out its plans for regulatory reform. This report is a constructive response to a concerted push by the UK government, likeminded Member States and businesses from across Europe, to reduce EU red tape.
242. The government particularly welcomed the Commission's decision to consider withdrawing its proposal for a Soil Framework Directive. The UK government supports the objective of protecting Europe's soils. However, the proposal for a Soil Framework Directive lacks sufficient flexibility and is overly prescriptive for Member States, like the UK, who already have effective soil protection measures in place. The proposal would also impose significant additional regulatory burdens and costs on Member States, farmers and businesses at a time when the government is seeking to simplify legislation and ease burdens on the industry.
243. The adverse impact of the proposed Soil Framework Directive was raised in a report by the Prime Minister's EU business Taskforce. It recommended that the Soil Framework proposal be scrapped. The business Taskforce also recommended that the Commission should abandon its proposal to introduce mandatory charging for official controls carried out on agri-food businesses – from the farm to the restaurant.
244. The Taskforce of six business leaders was invited by the Prime Minister to look at reforms to EU regulations, putting the voice of business at the heart of the debate. The Taskforce sought contributions from across the EU. Over 100 businesses and business groups responded, generating over 250 ideas. The government welcomed the report and is now pressing the Commission to implement all of its recommendations, including those on the Soil Framework Directive and Official Controls.
245. Impact assessment: The government continues to press the Commission to ensure that policy-making is always based on evidence, and reflects the concerns of those who will be affected by new legislation. This approach is at the heart of how policy-making is conducted in the UK, and the government wants the same standards to apply, consistently, in the European Union.
246. The European Commission has made significant progress over the last ten years on improving its impact assessment. However, the Council and the European Parliament have been slower to take account of the impact on stakeholders that their amendments to Commission proposals can have. Working with like-minded Member States, the UK government secured a commitment in the Council to pilot the use of

impact assessments. This is an important step towards the Council routinely gauging the cost of its amendments to Commission proposals.

247. The government is also keeping up pressure for the wider roll-out of impact assessments in Council. The UK also secured agreement amongst Member States at the December Competitiveness Council, to extend the practice of using impact assessments fully in Council discussions.
248. The government welcomed the European Parliament's decision in 2011 to establish its own impact assessment capability. The European Parliament is now equipped to review impact assessments produced by the Commission, and to conduct impact assessments of amendments to Commission proposals moved by MEPs.
249. Micro-businesses and the 'think small first' principle: The government strongly support the Commission's 2011 commitment to exempt those businesses with less than 10 employees from new EU legislation, and lighter regimes where exemptions are not possible.
250. The government estimates that the Commission included exemptions or lighter regimes in about 40% of legislative proposals with a significant impact on business in the first half of 2013. The government welcomes the progress, but is pressing the Commission to do better.
251. In June 2013, the Commission published an update on what it was doing to follow up on its consultation of SMEs on the most burdensome pieces of EU legislation. The government welcomed this as an initial contribution and are pressing the Commission to use a report expected in spring 2014 to set out further concrete proposals to reduce regulatory burdens on SMEs.

Impact

252. Impact assessments allow for the impacts of policy proposals to be fully considered before a decision is made to implement the policy. It is hoped through taking this considered approach that the implementation of unnecessary burdens will be avoided.

Implementation Group Assessment

This is a very important piece of work which is supported by other positive initiatives, detailed against Commitment 28, to influence the EU.

Recommendation 2.51: Placing the end-user at the centre of EU policy-making and regulation

Government Commitment 28: Hold the Commission to account on the commitments listed in recommendation 2.51 and continue to make suggestions for specific areas of EU law which would be suitable candidates for micro-exemptions or lighter treatment for micro-businesses and SMEs.

Action

253. The '[Ten point plan for EU Smart Regulation](#)', agreed by the UK government and 13 other member states, was sent to Commission President Barroso on 19 November 2012. It included a call for the Commission to reduce unnecessary EU regulatory costs on small businesses and to introduce other measures to encourage smart regulation.

Impact

254. The Commission consulted on the '[Top Ten pieces of EU legislation that SMEs find most burdensome](#)'. The results were published in March 2013, and a scoreboard tracking progress on SME-relevant legislation and the implications for burdens reduction was published in June 2013.

255. One of the top ten was the Waste Framework Directive, which the Commission is now reviewing.

256. Following the ten point plan, the Commission launched its Regulatory Fitness and Performance (REFIT) Programme in December 2012. This is an ongoing review of the stock of EU legislation to identify burdens, inconsistencies, gaps or ineffective measures and to propose appropriate measures to deal with them. The Commission published a [Communication in October 2013](#) setting out the results of its initial screening of legislation). This included proposals to simplify legislation on environmental impact assessment and the shipment of waste, currently under negotiation, commitments for new initiatives to simplify agriculture state aid and organic farming rules; the withdrawal of the proposed access to justice in environmental matters directive; and a commitment to consider withdrawing the proposed Soil Framework Directive. These commitments are reflected in the [Commission work programme for 2014](#), also published in October 2013. REFIT is an annual rolling programme that will enable the UK to make further suggestions for regulatory improvement in future.

257. In June 2013, the Prime Minister established an EU business taskforce of six business leaders to identify areas where EU regulation could be reformed to remove barriers to growth and innovation. Published in October, the [EU business taskforce report](#) included a recommendation that the Commission should adopt country of origin labelling rules that are both practical for business and promote growth in the food

sector. The Commission has since met these concerns. Defra officials continue to ensure the Commission keeps micro businesses in mind when developing new labelling rules.

Implementation Group Assessment

These are all good initiatives from the government to influence better regulation in the EU. Success will be dependent on turning these initiatives into outcomes.

We greatly approve of the achievement in reducing the intended scope of the draft Soil Framework Directive.

Recommendation 2.51: Placing the end-user at the centre of EU policy-making and regulation

Government Commitment 29: Work in a new way with industry on EU issues, and invite industry bodies to meetings to influence EU Commission where appropriate. Engage stakeholders earlier in strategic discussions to establish priorities for influencing in the EU, and join up information gathering and lobbying with stakeholders more effectively.

Work through 2012 with the pig industry on the ban of close confinement stalls for breeding sows, which comes in to force on 1 January 2013.

Work with the dairy industry to influence policy discussions on possible future extensions of IPPC to this sector.

Action

258. The government has taken this commitment forward in several ways:

- On dossiers on individual Commission proposals, government officials are tasked with taking a more inclusive approach towards involving industry and other stakeholders in policy development, based on the government's '[Guiding principles for EU legislation](#)', which were updated in April 2013. These include improved training and material on EU negotiating skills as well as the encouragement of a more project management orientated approach. Examples of policy areas where this has happened in practice include CAP reform, water, air quality, animal and plant health and soils, and;

- On broader issues, the government has undertaken a number of initiatives enabling all stakeholders, including the agriculture and food industries, to express their views on EU legislation and policies. These include:
 - The [Red Tape Challenge on agriculture, animal health and welfare, plant health and forestry](#), through which a public consultation ran between July and September 2013;
 - Calls for evidence as part of the reviews of the balance of EU competencies on animal health and welfare food safety, the environment and climate change, and agriculture, and;
 - The [report](#) of the Prime Minister's business taskforce on cutting EU red tape in October 2013.

259. In December 2012, Defra officials hosted a discussion with a number of key industry bodies to discuss the EU's work programme and the department's approach to engaging with this. At a further meeting, in November 2013, Defra officials agreed to meet a similar range of representatives every six months, starting in January 2014, to coincide with the start of successive EU Presidencies, to enable all concerned to identify important upcoming issues and longer-term strategic priorities for further discussion with the lead government officials.

Impact

260. At the November 2013 meeting, farming representations noted how there had been a step-change in Defra's relations with the industry and that there were many examples of good practice. They welcomed the opportunity to participate in further discussions.

Implementation Group Assessment

Securing the best outcomes from current and future regulatory issues requires a combination of industry and the government working together, both sides using their areas of expertise to create those best outcomes. We see examples where individual teams have done this, but we believe this has been slow to take-off at an institutional level.

The central EU team in Defra is now taking this agenda forward through their commitment to hold regular six-monthly meetings with the industry. We hope this positive engagement becomes strong and urge industry and Defra officials to use these meetings to consider what they can do jointly so that the UK presidency of the EU in 2017 can carry forward a positive agenda for agricultural issues.

Recommendation 2.52: How the European Commission can improve compliance

Government Commitment 30: Our negotiating team will continue to work with the Commission, the European Parliament and other Member States to ensure that legislation is as clear and understandable as possible for our customers and for our implementing bodies.

Continue to work with the Commission on compliance promotion and will champion the principles for refining and better targeting compliance promotion practices with the Directorate-General for Agriculture (DG AGRI).

Action

261. Government EU principles, skills, compliance promotion: Better regulation principles are worked into government guidelines for negotiating within the EU. The Commission's 'regulatory fitness' communication also contains a commitment to seek out opportunities to simplify all European legislation.
262. UK government officials continue to engage with the Commission on compliance promotion, both by holding open discussions on issues as they arise, and more generally. The UK Co-ordinating body is also seeking an early meeting with the head of a new compliance unit the Commission have set up to help Member States implement and manage the CAP. The Co-ordinating body will also continue to engage with the DG AGRI Simplification Experts Group, trying to promote genuine CAP simplification, even if that is now preparatory work for the next round of CAP reform.
263. The government is also up-skilling staff in Defra, for example by inviting Commission officials to give a workshop on EU infractions.

Impact

264. As part of the implementation of the new CAP Programme, a huge amount of work is being undertaken in Defra, RPA, CAP Delivery Programme, and the UK Co-ordinating body to make sure that there is maximum understanding of what it will take to be compliant under the new CAP. Indeed detailed technical discussions are still ongoing in implementing legislation negotiations, where Defra officials are seeking clarity from the Commission. These will continue until the end of March 2014.
265. During these negotiations (and afterwards when the final regulations are published) Defra officials have worked with customers through stakeholder groups and specific regional workshops to disseminate understanding. Defra officials will also make sure guidance is as clear as possible. All of this should mean CAP beneficiaries have the greatest possible understanding of new schemes by 2015, when the majority of the new CAP begins. The UK is also fortunate enough to be the Chair of the Learning

Network of EU Paying Agencies and Co-ordinating Bodies. This group is undertaking an evaluation of the extent to which CAP reform has delivered simplification and proportionality. The intention is to present the findings of this evaluation to Commission officials, for example via DG AGRI's Simplification Experts Group, with a view to influencing future thinking.

Implementation Group Assessment

We have seen very strong engagement from Defra officials in the last year on CAP reform. For a more detailed assessment of progress please refer to Chapter 7.

Recommendations 2.53: Improving inspections required by EU law – (refer to chapter 7)

Government Commitment 31: Continue to argue that Member States should not have to increase inspection rates unless there is a clear increase in non-compliance in the general population.

Action

266. Defra officials continued to push for simplifications through the CAP Reform negotiations (political agreement was achieved in June 2013). The majority of implementing legislation related to inspections will be adopted via Implementing Act powers, giving Member State experts a stronger role in the drafting of implementing legislation in this area.

267. In Article 59(5) of Regulation (EU) 1306/2013 (“the Horizontal Regulation”), the following new text has been secured:

'Member State shall ensure a minimum level of on-the-spot checks needed for an effective management of the risks and shall increase that level, when necessary, or may reduce it where the management and control systems function properly and the error rates remain at an acceptable level.'

268. Implementing Acts deriving from Article 62(2) will set this minimum level and what could subsequently cause it to increase or decrease.

269. A draft Implementing Act, including provisions on increasing and decreasing inspection rates, was issued in January 2014. Defra officials are now working to maximise their influence in the negotiation of implementing legislation in order to

pursue the objective that increases in inspection rates will not occur unless there is a clear increase in non-compliance, and that they can be reduced in the case of decreases in non-compliance.

270. The Commission is also preparing draft guidelines for Member States on how to implement the new Audit of Legality and Regularity, including the suggested large-scale re-performance of inspections. The UK Co-ordinating Body is liaising with other Member States to try and positively influence the final draft of this document in line with our objectives on inspections, and has already made progress to this end.

Impact

271. If the simplifications above are recognised in implementing legislation the inspection rates will not increase unless rates of non-compliance do. If the UK government is successful in demonstrating a low error rate, then in theory the Commission should recognise this high-level of compliance by reducing the inspection rate. This will benefit both beneficiaries and administrations by reducing the administrative burden associated with an increasing inspection rate.

Implementation Group Assessment

We would welcome reductions in inspection rates reflecting improved compliance in the general population.

Please refer to Chapter 7 for our more detailed assessment on CAP reform.

Chapter Three: Inspections and earned recognition

Recommendation 3.03: Improved Inspections

Government Commitment 32: Press for reasonable flexibility in how much notice is given before inspections during the CAP reform negotiations.

Action

272. Defra continued to press this as the UK governments negotiating position in the main CAP Regulations (agreed in June 2013), although this provision lies in implementing legislation. Notice given to famers for domestic visits is currently set out in Article 27 of Regulation 1122/2009. This Regulation will be revised between November 2013 and March 2014, and Defra officials will make sure that the principle of proportionality is maintained when it comes to the notice period given to farmers prior to inspections.

Impact

273. The impact of this work is not known until implementing legislation is agreed in April 2014. However it is very likely that the status-quo of a 48 hour notice period will be maintained. This time period is thought to address the right balance between reasonable notice and the need to inspect what is the genuine compliance situation on-site.

Implementation Group Assessment

We welcome the government's efforts to push for longer notice periods. The reason for seeking longer notice periods is to allow farm businesses to manage their time around a visit, reflecting that most are micro-businesses with little labour flexibility.

Whilst 48 hours is not as much notice as we would have liked, from the farmer perspective it is better than nothing.

We believe other steps to reduce the burden of inspections described in this report (such as improving feedback mechanisms and the targeting of inspections towards higher risk businesses) will provide a better inspection experience for farm businesses.

Recommendations 2.26, 3.04, 3.08, 3.10 & 3.16: Principles for inspection/ organisation of regulators/ inspector behaviour/ earned recognition

Government Commitment 33:

- Improve our risk-based targeting of inspection and enforcement.
- Encourage inspectors, including trading standards officers, to work together at local level so that visits are not duplicated.
- Continue to train inspectors and ensure they are equipped with the necessary skills and knowledge of farming and land management.
- Give farmers fair warning of inspections and, as far as possible, time inspections when it will cause least disruption to business.
- Combine inspections where appropriate, particularly when they involve the gathering of livestock. The AHVLA will ensure that their veterinary officers liaise with the RPA so that Cattle ID cross compliance checks can be combined with TB testing visits.
- Apply the earned recognition principle across all inspection regimes where possible so that farmers who have a record of high compliance are inspected less.

Action

274. Whilst recognising the frustrations, and often fear, farmers feel towards inspections, they play an important part in ensuring regulatory compliance is achieved and standards are maintained. However, the government accepts there is room for improvement in how inspections are undertaken and is taking action to make these improvements happen.

Improving how we target inspections

275. Reviewing risk-based approaches: Defra initiated a two stage review of the risk-based approaches used to select farms for inspection. The first stage involved building an evidence base to show how many on-farm inspection regimes are risk-based and if not risk-based, to find out why. The second phase will challenge whether the risk-based approach used is robust with a view to improving the targeting of inspections to where they are most needed – on the highest risk businesses.

276. Implementing earned recognition: Earned recognition is a key concept for consideration when reviewing how farms are selected for inspection. Where possible,

opportunities are being sought by officials to use earned recognition to improve the targeting of inspections to where they are most needed, and away from farmers who consistently demonstrate compliance. More detail on what has been done to implement earned recognition can be found in response to Commitment 38.

277. Increasing data and intelligence sharing: To further improve the risk-based targeting of inspections and avoid duplication of visits, Defra has commissioned the Health and Safety Laboratory (HSL) to develop a data sharing and inspection planning tool called 'Find-It'. The tool links information from the existing databases of a number of different regulators through a GIS-based platform. Defra officials will pilot the tool in summer 2014 with a full roll out anticipated in early 2015, subject to the findings of the pilot. The tool will join up farm information from AHVLA, the RPA, Natural England, the Environment Agency and the Survey of Agriculture and Horticulture from Defra. Defra officials are also engaging with colleagues in Local Authorities and the FSA with a view to including more data in the future.
278. Tackling serious non-compliance: Defra officials have also developed a proposal for a formal approach to dealing with serious non-compliance or emerging threats, introducing a standard formal framework for handling enforcement intelligence across Defra regulators. This proposal is part of an overall strategy for shifting enforcement and compliance activity away from normally compliant business to serious and/or persistent offenders.

Improving co-ordination of inspections

279. Supporting Regional Inspection Forums: To improve the way inspections are co-ordinated at a local level, Defra is supporting the NFU and local authorities who are working together in Regional Inspection Forums which involve those with responsibility for farm oversight. These forums, currently covering the East of England, East Midlands and West Midlands, aim to encourage more joined up working between farmers, industry representatives and regulators.
280. Joining up inspection activity: In January 2012 the RPA took over cross compliance visits to farms previously conducted by the Environment Agency helping to simplify the inspection process. This step reduced on-farm inspections for cross compliance by 1,070.
281. AHVLA is also liaising with the RPA so that Cattle identification inspections can be combined with TB testing where possible.

Improving inspector training

282. The Better Regulation Delivery Office has consulted on and published a new [Regulators' Code](#), which requires all regulators to ensure their frontline staff are adequately skilled.

Giving farmers appropriate notice of an inspection

283. See Commitment 32.

Impact

Improving how we target inspections

284. Reviewing risk-based approaches: The review of risk-based approaches found that 23 out of 32 inspection regimes are targeted on a risk basis, with the remaining nine regimes having valid reasons as to why they cannot take a risk-based approach (e.g. EU law dictates 100% of cases must be inspected such as for animal imports, or inspections are only carried out in response to complaints).

285. Phase two of this review will assess the robustness of the risk-based approaches used and look for opportunities for where these can be improved to help target inspections to where they are most needed, on those most likely to be non-compliant.

286. Implementing earned recognition: 14 out of 31 inspection regimes give farmers the opportunity to earn recognition. More detail on what impact earned recognition has had can be found in response to Commitment 38.

287. Increasing data and intelligence sharing: The Find-It tool will have a number of benefits to both the farming industry and the government including:

- Improved Customer Experience from fewer more focused visits;
- Reduced costs for compliant business supporting business growth;
- Resource efficiency and financial savings for Regulators, and;
- Improved understanding and evaluation of interventions.

288. Work is currently underway to better evaluate the potential benefits of the Find-It tool for both farmers and regulators.

289. Cross-Defra Approach to Enforcement Intelligence and Investigations. The introduction of a formal approach to enforcement will enable intelligence to be shared securely and links made more easily to serious and organised crime. It will also support a more strategic approach with resources allocated to highest priority areas. Better targeted enforcement could lead to an increase in receipts from Proceeds of Crime, a percentage of which are given back to Defra to reinvest in increasing the effectiveness of enforcement activity.

Improving co-ordination of inspections

290. Regional Inspection Forums have helped to:

- embed a more risk-based approach to inspections at a local level;

- encourage inspectors to share information with each other, and to contact farmers before they visit;
- increase the farming community's understanding of how inspections are conducted, in order to reduce the 'fear factor' associated with visits;
- encourage farmers to approach inspection or competent bodies for advice if they are unsure about compliance, and reassure them that this does not invite an inspection.

291. Joining up inspection activity: The RPA taking over cross compliance visits previously conducted by the Environment Agency reduced on-farm inspections for cross compliance by 1,070.

292. Positive steps have been taken so far, but the government recognises there is more to do. As a matter of priority Defra officials are working with representatives from regulators, the farming industry and key stakeholders to find further opportunities to improve the targeting and co-ordination of inspections to reduce the burden on those farmers who have a strong track record of reliability and adherence to standards.

Implementation Group Assessment

As set out in the original Task Force report, we believe that inspection is a key area for improvement where farm businesses should feel impact of better practice and understanding of their sector. Much has been achieved but this is an area requiring continuous improvement and review. To be truly successful we need regulators and farm businesses to learn from each other.

Regulators should be able to reward businesses that provide evidence of good practice with a light touch approach to enforcement, and should focus their attentions and penalties on bad practice. In order to implement this approach it is vital that regulators are able to identify those farmers who demonstrate good practice and those who don't. Therefore, the ability to share data is central to achieving this.

A huge effort is needed to successfully share data. It is clear to the Implementation Group that farm businesses are willing to have their data shared for regulatory purposes, where the result would be fewer better targeted inspections. Unfortunately we are not yet at a point where we want to be on data sharing but the work on a new approach to sharing enforcement intelligence, and the development of the Find-It tool are encouraging as they suggest a workable solution to increasing data sharing is close at hand.

If regulators can share data it will enable them to focus on the poor performers and also to avoid repetitious visits without good reason. If this is achieved, a significant step forward will have been made to better regulate, one that saves farmers and the public purse significant expense.

Recommendations 3.04: Principles for inspection

Government Commitment 34: Undertake a fundamental review of all our regulatory bodies, and use this opportunity to test how our agencies and partners are applying the task force principles. We will examine each agency's feedback and complaints arrangements, as we want to make sure that farmers and others can report incidences where these principles are not being met. We will also consider the need for additional training for inspectors.

Action

293. Review of Inspections: Defra officials have initiated a review of on-farm inspections to be led by Paul Leinster, CEO of the Environment Agency, to investigate opportunities to further reduce the burden of inspections. This will focus on the following areas:

- Improving the evidence base of visits currently carried out, including whether any exceed the minimum number required by legislation, and if so why. Using this evidence to improve the narrative for farmers on “who, why and what” visits are made, building on the [Farmers Guide to Inspections](#).
- Cutting unnecessary inspections, avoiding inter-agency (and local authority) duplication and driving a risk-based approach to inspections. This will be delivered through a combination of improved risk-based targeting and planning of inspections to be enabled by the Find-It tool (providing the pilot proves successful) and the evidence base to identify further opportunities for joining up inspections.

294. Review of feedback approaches: Regulators regularly engage with representatives from the farming industry in order to improve how they operate. In September 2013 Defra officials completed a review of the feedback mechanisms used by regulators who undertake on-farm inspections or visits. This review included the RPA, AHVLA, FERA, Natural England, the Environment Agency and VMD. The review was also extended to local authorities and the FSA as they also play an important role in inspecting farms.

295. The review of feedback mechanisms found that:

- All of the organisations reviewed have some mechanism through which farmers can give feedback on the way in which they are inspected, although the extent of this and the methods used differ;
- Most used stakeholder panels to consult a wide group of farmers on a specific policy or operational issue. For example, Natural England and RPA both have farmer panels which can be consulted by Defra or any of its agencies. The RPA farmer panel reviewed the 2011 Single Payment Scheme application form and it was simplified as a result, and;
- Most also used focus groups to discuss specific issues with farmers or farming industry representatives. For example, the Environment Agency recently conducted a series of workshops to understand the pressures on the water environment as part of preparing new river basin management plans starting in 2016. The Environment Agency takes the approach of workshops and panels slightly further by using industry liaison groups. These are well-developed channels of communication between the Agency and industry representatives, and meetings take place regularly alongside more frequent day-to-day contact.

296. Appeals Mechanisms: All Defra regulators have recently reviewed their appeals mechanisms in line with the principles that were published in the draft Regulators Code. As a result a number have introduced new, simpler and more transparent appeals procedures, including RPA and FERA.

297. Regulators Code: Many of the task force principles are also reflected in the revised Regulators Code. Defra officials are continuing to work with regulators to ensure adherence to the code through the Defra Regulators Group and the Regulator Relationship Manager role in Defra's Better Regulation Team.

Impact

298. Review of feedback approaches: Whilst the review found that Defra regulators, local authorities and the FSA all provide options for farmers to provide feedback, it was agreed, in consultation with the Farming Regulation Task Force Implementation Group, and the organisations involved, that the following principles should be followed as good practice:

- Defra agencies should provide opportunities for feedback after each inspection, and these should be pro-actively highlighted to customers;
- These feedback mechanisms should not be intrusive and need not be expensive: customers could simply be directed to a website where they can fill in a survey;
- Customers should always have the option of providing feedback anonymously;

- Each agency should offer just a small number of feedback mechanisms. These should be as simple as possible, and;
- Defra agencies should publish data on the feedback they receive, and crucially on the steps they are taking in response to that feedback.

299. It is hoped that existing, and improved feedback mechanisms will help to drive improvements in performance.

300. Review of Inspections: The review of inspections should deliver the following benefits:

- For routine visits, farmers know who's visiting, when and understand the purpose of the visit;
- Compliant farms can expect a reduced burden from inspections, including fewer visits where possible. Planned inspections are targeted at persistently non-compliant businesses, and;
- More effective use of resources to deliver maintained or increased levels of environmental protection, food safety, animal welfare and disease prevention.

301. Review of Appeals Mechanisms: Farmers should be comfortable in seeking a second opinion and information on how to do so or to launch a formal appeal should be easy to find.

Implementation Group Assessment

The review of feedback mechanisms is a good start; however, we want this work to go further. If the burden of inspection regimes is to reduce then a radical re-think is needed.

We urge the government to initiate the zero based review of inspections as soon as possible to drive simplification of farm visits or at least to help justify why so many different types of inspections need to take place. It is important that this review is not limited to the Defra family, but that it must also review the perceived overlap in visits which are also undertaken by local authority and other government departments (such as the GLA and VOSA).

The object of the exercise should be to remove or join up with other inspections. This work needs to happen at a much quicker pace as it is an area where farmers may feel the biggest benefit if improvements are implemented. We consider this to be high priority work.

Recommendation 3.06: Organisation of regulators

Government Commitment 35: Review the scope for RPA taking greater responsibility for managing the cross compliance inspection process.

Action

302. Responsibility for cross compliance inspections has been reviewed. The Competent Control Authority (CCA) responsible for water-related statutory management requirements (SMRs) was transferred to the RPA from the Environment Agency in early 2012. This has reduced the number of bodies with official CCA status to two (RPA & AHVLA). The RPA has done some work to try and combine inspections with other bodies where possible with the aim to minimise disruption for the farmer.
303. Currently there are no plans to transfer responsibility for animal welfare inspections to the RPA due to the technical knowledge needed to carry out this role; however this will be kept under review.

Impact

304. Reducing the number of inspection bodies with CCA status from three to two reduced the number of cross compliance inspections in 2012 (compared to 2011) by 1,070. The RPA has also been able to combine 578 of its inspections (based on 2013 figures around 27% of inspections) to reduce disruption for farmers.

Implementation Group Assessment

We welcome this work which is having a noticeable difference on farmers through reduced numbers of inspections. However as already stated, we feel there is still more that could be done to simplify cross compliance, and other inspection regimes.

We again emphasise the need to conduct a zero based review of the existing inspection regimes in order to identify further opportunities to simplify, and where possible reduce and better coordinate inspections of farm businesses across government.

One area that has still not been properly tackled is that of Local Authority inspections. We recognise that local authorities have an enforcement role in some instances, but that apart we do not see the need for them to carry out regular inspections. Indeed many local authorities do not do this for reasons of cost resulting in an unsatisfactory haphazard approach.

Recommendation 3.24: Earned recognition

Government Commitment 36: Explore the potential for drawing up a list of indicators for demonstrating competence that might be used by all Defra regulators as part of earned recognition.

Action

305. Where possible, opportunities are being sought across government to use earned recognition to improve the targeting of inspections to where they are most needed, and away from farmers who consistently demonstrate compliance.
306. It was accepted in the government response to the Task Force report that existing official risk-assessments used to plan inspection programmes or other interventions, do not take account of the full range of information that may be available on an individual farmer or their business from other official sources, or from information provided by third parties.
307. In order to make use of information from other official sources, and potentially information provided by third parties, as detailed under Commitment 33 in this Chapter, and Commitment 49 in Chapter 5, Defra officials have commissioned the Health and Safety Laboratory (HSL) to develop its Find-It tool for Defra. The tool will join up farm information from a number of different sources in order to better inform inspection programmes and other interventions. The prototype of this tool is focussed on joining up data from within government but if the pilot is successful, the tool will be fully rolled out, subject to a business case, and will have the potential to include information from third parties.
308. In July 2013, Defra also held the Earned Recognition for Farming Summit with over 40 representatives of the farming industry and regulators to explore new ideas to implement earned recognition. The summit asked attendees ‘How can farmers demonstrate they meet high standards?’ In response to this question, a list of factors was developed that might be considered by regulators for inclusion in their inspection programmes, or other interventions. The list includes:
- Those factors that demonstrate regulatory compliance (e.g. previous inspection result).
 - Those factors that represent “Buy-In” to the industry (e.g. commercial and contractual standards such as membership of a farm assurance scheme, or supplier in an organised supply chain).
 - Those factors that relate to qualifications or continued professional development (e.g. FACTS, BASIS training).

309. Government officials will be encouraged to routinely consider these factors when looking to target their inspection activity. This routine consideration will be encouraged through guidance for regulators on how to meet the new requirements of the Regulator's Code.

Impact

310. Implementing earned recognition will help to reduce regulatory burdens on those farmers who consistently demonstrate compliance. 14 out of 31 inspection regimes give farmers the opportunity to earn recognition these are detailed under Commitment 38.

311. The Find-It tool will have a number of benefits to both the farming industry and the government including:

- Improved Customer Experience from fewer more focused visits;
- Reduced costs for compliant business supporting business growth;
- Resource efficiency and financial savings for regulators, and;
- Improved understanding and evaluation of interventions.

312. Work is currently underway to better evaluate the potential benefits of the Find-It tool for both farmers and regulators (see further details in Commitment 33).

Implementation Group Assessment

Earned Recognition is a central principle to what the Task Force recommendations were all about - recognising the efforts of those who demonstrate good practice whilst penalising those who do not. We appreciate that as a concept, earned recognition is easy to understand, but in reality it is more difficult to find concrete examples to implement.

That said we are pleased that Defra remains committed to implementing earned recognition as part of work to improve the targeting of inspections.

Progress is starting to show through in terms of reductions in inspection numbers or better targeting of inspections. We urge Defra officials to continue to drive forward improvements in the risk-based targeting of inspections and to use the principles of earned recognition in negotiating revised inspection guidance in EU forums.

We also urge the farming community to come forward with ideas, and evidence to support those ideas, for what information regulators can use to better target their regulatory enforcement activities.

Recommendation 3.28: Information sharing

Government Commitment 37: Develop IT solutions for farmers to submit information and evidence that can be used to earn recognition. Trial a prototype webpage during 2012 that will show how evidence might be submitted to earn recognition and reduce inspection frequencies. Invite farmers to test the concept.

Action

313. The concept prototype was developed in 2012 and a demonstration tool was tested with farmers. Initial feedback from industry and regulators was encouraging about the tools potential for data collection and management but mixed with regards to its effectiveness as a tool for implementing earned recognition.

314. As a result of concerns from farmers that the tool would add a burden to farmers, who would need to input data into it in order to earn recognition, focus from this work has shifted to improving data sharing between government agencies (see commitment 33) to improve the targeting of enforcement activity.

Implementation Group Assessment

We are content with the conclusions reached by Defra officials and welcome the way in which feedback from individual farmers was sought in order to shape this work.

Recommendation 3.29: Inspections where earned recognition could apply

Government Commitment 38: We will publish a list of all farm inspections by Defra and its delivery partners with an assessment of the potential for earned recognition.

Action

315. Defra is committed to improving the risk-based targeting of inspections so that farmers demonstrating high standards are inspected less.
316. It is important that this work is not rushed. Environmental, food safety and animal welfare standards must be maintained.
317. As part of work to explore opportunities for implementing earned recognition, Defra officials evaluated all 31 on-farm inspection regimes for their potential to incorporate an earned recognition approach. The [earned recognition plan](#) was published in August 2013 and shows that farmers can already earn recognition in 14 out of 31 inspection regimes.

Impact

318. The following list details the impact implementing earned recognition has had on farmers for specific inspection regimes:
- The 885 members of the Environment Agency's Pig and Poultry Assurance Scheme earn recognition and through reduced inspections - from one per year to one every three years for members. This results in an £880 reduction in Environment Agency fees and time savings for farmers and the Environment Agency.
 - Membership of relevant UKAS accredited third party assurance schemes, including Red Tractor, was included in the risk model used to select premises for risk-based animal welfare cross compliance inspections. As a result, no farms covered by a farm assurance scheme were selected for an inspection as part of the 2012 risk-based selection. Defra-funded research is now being undertaken to assess whether membership of herd health schemes or the results of post mortem tests at abattoirs are suitable measures of welfare standards and can also be included in the risk model.
 - Incorporating earned recognition into dairy hygiene inspections has reduced the number of FSA inspections taking place on dairy farms by over 8,000 per year.
 - Farmers can decrease their risk of receiving a Single Payment Scheme land eligibility inspection by submitting their claim forms on time.
 - Earned recognition in egg marketing inspections, implemented in January 2014, reduces routine inspection visits to medium and large producers by at least half, to around one inspection per year.
 - From 2014, RPA cross compliance inspections will incorporate an additional element of earned recognition for Red Tractor members against SMR 11 Food and Feed law.

- The Food Standards Agency is working to implement earned recognition into animal feed inspections in April 2014 by taking into account consistent compliance records and membership of approved assurance schemes. The approach is expected to reduce on-farm inspections by approximately 10,000 per year.

319. Several inspection regimes also include earned recognition through the incorporation of 'previous inspection result' in the risk criteria used to select premises for inspection. These include:

- Risk-based cross compliance inspections;
- Risk-based inspections on-farms with agri-environment agreements (e.g. Entry Level Stewardship, Higher Level Stewardship);
- Animal by-products incinerators inspections;
- Local authority farm inspections;
- Wildlife licensing inspections;
- Veterinary medicines regulations inspections;
- Sheep and goats identification inspections, and;
- Cattle identification inspections.

320. Defra officials are continuing to work with the farming industry to explore opportunities for reducing the burden of inspections as explained under Commitment 34.

Implementation Group Assessment

There has been some progress on implementing earned recognition but to date it has not been the breakthrough envisioned by the original Task Force for numerous reasons, including regulatory rules from the EU, and the need to develop an evidence base on which to demonstrate giving recognition to one group of farmers over another which can take time.

However, the aim of earned recognition, to make sure those farmers who consistently demonstrate compliance earn a lighter touch of regulation, needs to stay high in the minds of government officials and will come with time.

This aim can also be achieved by regulators ensuring their risk-based approaches to enforcement activity are fit for purpose. We therefore urge the government to concentrate on reviewing and improving their risk-based approaches to compliance and enforcement activity, and to incorporate factors allowing a farmer to earn recognition within these processes where feasible.

Chapter Four: Business and management

Recommendation 4.18: Permitted development and prior notification

Government Commitment 39: We will not enact the provision in the Flood and Water Management Act 2010 to lower the current threshold for the regulation of high risk reservoirs from 25,000 to 10,000 cubic meters.

We will, in consultation with industry, produce guidance for farmers in 2012/13 on how to build 'low risk' reservoirs.

Action

321. The government does not intend to enact the provision in the Flood and Water Management Act 2010 to lower the threshold for the regulation of high-risk reservoirs from 25,000 to 10,000 cubic metres, unless evidence suggests there is a widespread and significant risk to life or property.

322. Defra officials have worked with representatives from the farming industry to produce guidance for farmers on how to build 'low risk' reservoirs. The guidance will be published in due course.

Impact

323. The guidance will help farmers planning new reservoirs to design them safely and therefore reduce the need for regulation.

Implementation Group Assessment

This is a good example of intelligent regulation. We look forward to seeing the guidance published.

Recommendation 4.27: Information requirements

Government Commitment 40: In July 2011, the government announced the intention to look at both the length of time it takes to determine any planning applications, and the level of information required in support of planning applications.

Action

324. The Growth and Infrastructure Act, which received Royal Assent in April 2013, includes measures on prior approvals and streamlining information requirements. These measures place limits on the powers of local authorities to require information with planning applications by stipulating that such requests must be genuinely related to planning and reflect the nature and scale of the development proposed.

Impact

325. Between April and June 2013 district level planning authorities in England granted: 90,900 permissions, 1% higher than in the same quarter in 2012; 89% of applications, compared with 88% in the same quarter in 2012, and; Decided 11% more residential decisions compared to the June quarter of 2012, with numbers of major decisions (10 or more dwellings) up by 45%.

326. These statistics are taken from publications made by the UK Statistics Authority which can be viewed at:

- [Planning applications in England: April to June 2013](#)
- [Planning applications statistics](#)

Implementation Group Assessment

The limits placed on what information local authorities can require with planning applications is a good step. It will go a long way to helping manage the unpredictable nature of what used to be requested during the planning application process, which the original Task Force reported as a hindrance to the ability of agricultural businesses to plan their development.

Recommendations 4.39: Information requirements

Government Commitment 41: Publish a summary of responses to the consultation on reforming the system for registering new town or village greens. Announce our proposed reforms in summer 2012.

Action

327. Reforms to the system for registering a town or village green are provided by the Growth and Infrastructure Act 2013. All measures have been commenced and comprise:

- A reduction in the period within which a town and village green application can be made (after the requisite 20 years of recreational use 'as of right' has ceased) from two years to one. This commenced on 1 October 2013;
- A provision for landowners to prevent their land being registered as a green. This has been combined with the system which allows landowners to prevent their land being recorded as highway under section 31(6) of the Highways Act 1980. The application process and the form itself are prescribed by the Commons (Registration of Town or Village Greens) and Dedicated Highways (Landowner Statements and Declarations) (England) Regulations 2013. This commenced on 1st October 2013. The Regulations were drafted in consultation with expert practitioners;
- Exclusion of the right to apply to register land as a green where a trigger event has occurred in relation to the land. Trigger events are specific points in the planning system where land is identified for development e.g. where application for planning permission to develop on the proposed site has been published. This commenced on 25th April 2013, and;
- Amendment of existing power in section 24 of the Commons Act 2006 to make regulations on fees payable for applications to amend the registers of common land and town and village greens.

Impact

328. The reforms provide landowners with a simple means to prevent their land being registered as a town or village green. When land is identified for development through the planning system, it is no longer possible for town and village greens applications to be submitted in relation to that land.

Implementation Group Assessment

This is a positive move which we hope will bring certainty to what has become a matter of gamesmanship and litigation. However, we are concerned that the opportunity given by the Localism Act to create Assets of Community Value will need monitoring by the government to ensure it does not become used in a similar way to registering new town or village greens.

Recommendations 4.39: Information requirements

Government Commitment 42: Consult on simplifying and streamlining the processes for recording and making changes to public rights of way (as proposed in The Natural Environment White paper).

Action

329. The government proposes to simplify and streamline the processes for recording and making changes to public rights of way to make them less burdensome for everyone involved. A public consultation on the measures proposed by Defra officials took place between May and August 2012.
330. The responses to the consultation were broadly supportive of the proposals and clauses to implement those measures that require primary legislation have since been drafted and are now included in the Deregulation Bill, which was introduced into Parliament on 23 January 2014.
331. Consultation with key interests is ongoing through a Stakeholder Working Group, which includes the NFU and the CLA, but Defra officials are also discussing the measures with the wider stakeholder community. Other measures (e.g. implementing the 2026 cut-off point) will be covered by secondary legislation and guidance, which will be developed in partnership with stakeholders after the Deregulation Bill makes its way through Parliament.
332. Important measures in the Deregulation Bill that will benefit stakeholders include:
- Provision for the implementation of a Preliminary Assessment, allowing local authorities to reject without substantive consideration applications for unrecorded rights of way that do not meet the terms of the assessment;
 - Modification of the definitive map by consent, where both the landowners accept that the route should be added to the definitive map, and are happy to consent to the proposal subject to agreed modifications to the route, and;

- An extension of powers to erect gates or other works on rights of way crossing agricultural land for the purposes of preventing animals coming onto the land or escaping from it.

333. Defra officials are progressing the reforms as quickly as possible. The most challenging stage, which is getting the opportunity to make changes to the primary legislation, is now well underway. Once changes to the primary legislation have been made, Defra officials will proceed to implementing those reforms that will require changes to regulations and improved guidance.

Impact

334. The impact assessment prepared to accompany the Bill shows benefits outweighing the costs by just over £2million a year. Defra officials anticipate that the reforms will make the process around adding public rights of way to the legal record easier and less costly for farmers. The reforms should also make it easier for changes to public rights of way to be made, where those rights conflict with current land uses.

Implementation Group Assessment

Defra has made good progress to simplify and streamline the processes for recording and making changes to public rights of way and we recognise the progress made in getting these proposals into the present Deregulation Bill.

This is exactly the type of issue that if progressed will make a significant difference on the ground as it still takes far too long for a farmer to make adjustments to, or move, a public right of way to a route both more convenient for users and for the farm business.

Recommendation 4.41: Seasonal workers' accommodation

Government Commitment 43: As part of the Autumn Statement in 2011, the government announced the intention to consult on allowing greater flexibility for changes of use of existing agricultural buildings for other business purposes, for example offices, leisure and retail space. The National Planning Policy Framework (NPPF) to be published in March 2012.

Action

335. The National Planning Policy Framework (NPPF) was published in March 2012.
336. The NPPF contains a general presumption in favour of sustainable development. A local planning authority can approve planning applications if they believe the development is consistent with local and national policies.
337. There are already substantial permitted development rights for farmers. These were also extended by the Growth and Infrastructure Act to allow redundant agricultural buildings to be used for commercial and business purposes.
338. Following a consultation process DCLG announced on 6 March 2014 that the Government would implement further permitted development rights for change of use from agricultural buildings to residential.

Impact

339. The government measures to allow change of use for redundant agricultural buildings came into force on 30 May 2013. This allows reuse of existing redundant agricultural buildings as offices shops and commercial premises. It is too early to assess the impacts of this measure.

Implementation Group Assessment

We welcome the proposed changes to extend permitted development rights to allow redundant agricultural buildings to be converted into homes, schools and nurseries.

Although it is outside the scope of the Government's commitment we remain concerned that this step alone will not provide sufficiently for the accommodation needs of seasonal agricultural workers. The Task Force originally recommended that there should be a presumption in favour of planning applications for seasonal workers' accommodation. Until this is achieved, we recommend that representatives from both the government and industry gather evidence to find a solution to help growers requiring seasonal accommodation.

Recommendation 4.54: Seasonal Agricultural Workers Scheme (SAWS)

Government Commitment 44: Defra, the Home Office and other government departments will consider options for addressing seasonal labour needs beyond 2013.

Action

340. The Migration Advisory Committee (MAC) report was published by the Home Office in May 2013. This report recommended that the government consider proposals for a replacement for SAWS that targets workers from non-EU countries, particularly those that have a high number of agricultural students such as Ukraine.
341. After reviewing the evidence, Home Office announced in September 2013 that there would be no replacement scheme, so SAWS will finish as planned on 31 December 2013. Defra immediately set up an industry/government working group which brings together growers, labour providers, and relevant government departments. The group aims to understand barriers, investigate solutions, and monitor labour flows quarterly from 2014 onwards.

Impact

342. The MAC report was thorough and the government considered the recommendations carefully in line with its commitment to consider options for addressing seasonal labour needs beyond 2013. Defra understands industry concerns about availability of workers long-term for outdoor crops and do not wish to undermine the effectiveness of the industry. Defra is chairing a cross-government and industry group to explore various options to overcome barriers, and monitor and review agri-labour developments going forward to 2014 and beyond.
343. Farmers and growers will be able to employ EU nationals, including workers from Bulgaria and Romania from the beginning of 2014. In addition, the government, through Jobcentre Plus, is trialling projects to encourage UK nationals to undertake this work

Implementation Group Assessment

Whilst we recognise the efforts made by Defra officials to meet their Task Force commitment and work with the Home Office to address seasonal labour needs, the outcome is far from that envisaged by the Task Force. The Task Force urged the Home Office to introduce a replacement for SAWS to enable workers from prospective accession states to provide seasonal labour for UK agriculture and horticulture. The industry is concerned about the long-term availability of workers for both outdoor and covered crops.

We believe this remains a significant issue for both high value production and the industry that depends on it. We urge Defra in partnership with the industry and the Home Office, to review, at the end of 2014, what the impact of the end of SAWS is on the ability of growers to get their crops picked.

Recommendations 4.60-4.69: Gangmasters licensing scheme

Government Commitment 45: Continue to look at what more the Gangmasters Licensing Association (GLA) needs to do to tackle the non-compliant, while reducing unnecessary burdens on the compliant, and any legal changes needed to support this.

The GLA will:

- Issue new guidance to its inspectors and will look at its approach to minimising disruption when interviewing gang workers on a case-by-case basis;
- Look at ways to work closer with labour user representatives and labour users, including establishing user groups;
- Communicate its priorities across its whole remit of fish processing, shellfish, meat, dairy and food processing, and;
- Introduce changes off the back of the Forestry Pilot Scheme.

Action

344. The government is committed to tackling the abuse of vulnerable workers in the GLA sectors through robust and proportionate regulation. The government has announced measures which will allow the GLA to take action against those who fail to meet the required standards while rewarding those who consistently meet a high standard. Measures taken include:

- Issuing new guidance to GLA inspectors who are encouraged to minimise disruption when interviewing workers: GLA Brief 26: The Inspection Process;
- GLA working closely with labour user representatives in a number of ways including having the NFU and other trade bodies on the board of the GLA. The GLA board includes NFU, TUC, and Unite etc;
- GLA reforming its licensing regime with input from stakeholders, particularly through board discussions and a public consultation in early 2013;
- GLA publishing a three-year Strategy for Protecting Vulnerable and Exploited Workers, which can be found [here](#). This strategy sets out GLA's priorities for the next three years. It also discusses the GLA's Integrated Operating Model, which will use a risk-based approach aimed to reduce the burden of regulation on the vast majority of the sector. GLA reviewing the operation of the Forestry Pilot and considering how lessons learned might be applied more widely. The GLA continued to operate the Pilot in the forestry sector until the sector was removed from the scope of the licensing regime in October 2013;
- As a result of the GLA-led consultation from 1 October 2013 the GLA ceased to automatically visit all gangmasters on application. Instead, stronger desk-based checks and visits to around 50% of applicants are based on risk;
- GLA examining the idea of extending the life of a licence, as currently they have to be renewed (at the gangmaster's expense) every year, and;
- In parallel, a Defra-led consultation issued in April 2013 seeking views on sectors, including forestry, to be excluded from the scope of the licensing regime, changes to the Board and use of civil sanctions. The government response can be found [here](#) and implementing legislation for exclusions came into force on 1 October 2013. Board changes are expected to come forward by April 2014.

Impact

345. These reforms remove burdens from compliant labour providers and labour users whilst preserving effective protection for vulnerable and exploited workers. Defra has revised the exclusions regulations removing further low-risk activities from the scope of licensing altogether. It is expected that the changes will result in 150 fewer licence holders. It is estimated that the removal of these low risk businesses will result in reductions in financial and administrative burdens of between £150,000 and £200,000 each year. Changes to license application and renewal process will reduce burdens and costs.
346. The GLA will be phasing a reduction of the number of compulsory inspections for labour providers entering the GLA regulated sectors first time. The GLA expects that

this will result in further savings to business of up to £300,000 each year when fully implemented.

Implementation Group Assessment

The GLA has made good progress to implement some of the key principles of better regulation, including working in close partnership with industry through their board, and seeking ways to limit the burden of regulation on those who demonstrate best practice.

Fundamentally farmers using a GLA approved gangmaster want to be assured that the labour they use is legal and would expect that a GLA licence should be sufficient assurance. In many cases this will be the case, but the IG recognises that best practice for farm businesses involves undertaking reasonable due diligence. We are pleased that the GLA is working with farming industry and other stakeholders to encourage the appropriate use of due diligence checks, in addition to their reliance on the Agency's licensing of gangmasters (see: <http://www.nfuonline.com/sectors/horticulture-potatoes/protect-yourself-from-rogue-labour-providers/>). Defra and the industry should continue working with the GLA to address this point to ensure that due diligence does not become an administrative burden in its own right. We recommend that the Regulatory Challenge Panel looks at this issue early on. The need for this is given added emphasis with SAWS developments and the end of transitional provisions on workers from Bulgaria and Romania.

With changes to the GLA implemented on 1 October 2013, and others to be introduced during 2014, it is too early to conclude if the reform of the GLA licensing scheme has been successful. However, early indications are hopeful that the reforms will focus GLA activity on the serious exploitation of labour and reduce the inconvenience to low risk labour users and labour providers.

Recommendation 4.77: Weight/speed restrictions for trailers

Government Commitment 46: Engage with industry on how the recommendations on the speed limit for tractors and maximum weights of trailers could be taken forward.

Action

347. On 7 November 2013 the Department for Transport (DfT) launched a consultation proposing allowing agricultural vehicle operators to take an annual vehicle test which, if they passed, would enable them to drive with increased maximum trailer and maximum combination weights, or just increased maximum combination weights (in Great

Britain). The DfT also launched, on the same day, a consultation on raising the speed limit for tractors from 20mph to 25mph on public roads (in Great Britain).

348. The consultations closed on 30 January 2014. The Government will publish a response to the consultations in due course. Any action as a result of the consultation will need to achieve the correct balance for supporting the economy and the farming sector, road safety and keeping traffic moving.

Impact

349. The main benefit to farmers from these actions would come in the form of time savings. If the weight limit were to increase, farmers would be able to move as much produce as before in fewer trips. Being able to use heavier tractors without eating into payload could also have positive road safety benefits, as heavier tractors can have more power and control. If the speed limit for tractors were to increase, farmers would save time carrying out their work, which they could then devote to other activities.

Implementation Group Assessment

We applaud the consultation on increasing maximum trailer and combination weights which if successful will update the requirements of the 1986 legislation. We commend the DfT for following the recommendations made by the Task Force in their consultation. We look forward to seeing the results of this consultation which we hope will deliver long overdue benefits to farmers and that the process of keeping pace with the industry is on future agendas.

We would encourage Defra and the industry to continue to work with DfT to promptly implement changes and maintain a readiness to work together on EU transport proposals which may unintentionally impact on the farming sector.

Recommendation 4.79: Forklift testing

Government Commitment 47: All Health and Safety Executive Approved Codes of Practice and guidance (including L117) are to be reviewed as set out in the Response to the Lofstedt review, as well as a review of the guidance on refresher training to make it clearer.

Action

350. A revised version of L117 entitled "[Rider-operated lift trucks - operator training and safe use - approved code of practice and guidance](#)" was published in March 2013. The

publication, is available to download free of charge from the HSE website. HSE have also produced a free leaflet for employers setting out some of the key points from the revised code. This includes advice on refresher training. The leaflet for employers is available to download at [here](#).

351. Paragraphs 77 to 79 within L117 explain the requirements for refresher training. The code makes it clear that there is no specific time period for refresher training but sets out examples of circumstances where it might be appropriate.
352. There are a number of organisations who provide accreditation for lift truck training schemes and a large number of training providers who deliver it. These voluntary schemes are intended to help set and maintain professional training standards and help employers select training organisations who offer good standards of training. HSE no longer administers an accrediting body's scheme and does not keep records of training providers. Information about voluntary schemes and lift truck training is available on the HSE website.
353. Although accreditation is voluntary, using an accredited training provider provides some assurance that the training provided will be at least to the standard described in L117.

Impact

354. The advice given in L117 explains the requirements clearly to help farmers and other duty holders understand what they need to do in order to work safely and meet their legal obligations.

Implementation Group Assessment

The HSE guidance is a significant improvement as it explains the requirements for refresher training clearly and highlights that there is no specific time period.

If opportunities can be found to also promote these messages to trainers then they should be pursued.

Recommendations 4.85 & 4.86: Agricultural Holdings Act 1986/ Agricultural (Maintenance, Repair and Insurance of Fixed Equipment) Regulations 1973

Government Commitment 48: The Tenancy Reform Industry Group will look at this area of tenancy legislation (solving disputes which arise within agricultural tenancies) with a view to reform.

Action

355. The Tenancy Reform Industry Group (TRIG) sent their proposals to Defra ministers on the 1 October 2012.
356. Expert determination, Agricultural Holdings Act 1986: The government is now using the Deregulation Bill to make changes to the Agricultural Holdings Act 1986 to allow expert determination of disputes for pre-1995 tenancies. This will modernise the rules governing the relationship between tenancies in England and Wales and will bring dispute resolution procedure for pre-1995 tenancies in line with those for tenancies under the Agricultural Tenancies Act 1995.
357. Agricultural (Maintenance, Repair and Insurance of Fixed Equipment) Regulations 1973: the government is currently working closely with TRIG to update this regulation as part of a wider review of agri-tenancy legislation under the Red Tape Challenge. It is a statutory requirement, that any change to this regulation is consulted on prior to an amendment being made. The government will be consulting on all proposed amendments to agriculture tenancy legislation in spring 2014 with a view to making the changes in this Parliament, where the legislative timetable permits.

Impact

358. The intended impact is to simplify the legislative framework around agricultural tenancies and to modernise the rules governing the relationship between landlord and tenants. This will be achieved by clarifying where liability sits which should minimise disputes arising from ambiguity in the law, and where disputes do arise, offering the flexibility to resolve them by less costly and timely mechanisms than formal arbitration.

Implementation Group Assessment

The progress now being made is good as it aims to simplify the legislative framework around agricultural tenancies in order to modernise them. We are pleased this is being done, and that it has been designed in conjunction with industry representatives on the TRIG. Having said this there is frustration that this work remains unimplemented.

Chapter Five: Data-sharing and paperwork

Recommendations 5.09-5.13: A new approach to data collection that improves the efficiency of its supply, capture and use

Government Commitment 49: We are responding to the recommendations calling for a new approach to data collection that improves the efficiency of its supply, capture and use by:

- Developing ways of capturing and using data more efficiently.
- Building an evidence base of what farmers are asked to do to meet both regulatory and non-regulatory requirements.
- Stopping collecting unnecessary information, avoiding duplication of requests, and see where we can share data more effectively.
- Working with the NFU to develop a single data protection statement.

Action

359. Government is committed to reducing the burden of paperwork and information requests on farmers by only collecting information that is needed, collecting it in an efficient way, and making full use of the data that is captured. The following paragraphs set out what work Defra officials have undertaken, and will undertake, to achieve a simpler and smarter approach to data collection, handling and use.

Capturing and using data more efficiently

360. Smarter Data initiative: The Smarter Data initiative is assessing all the information Defra and its agencies ask from businesses. This work is being undertaken in response to the conclusion that many businesses feel they provide more information than necessary and that at times it can be overlapping and confusing.

361. Information requests include forms and applications processes, compliance and performance information and any other information requested from businesses.

362. The scope of this work, originally just environmental information, has been extended to cover all information Defra and its regulators ask from businesses. This decision was made in light of the Farming Regulation Task Force recommendation to

ensure that all the information that is requested from farm businesses is necessary, and to avoid duplicated information requests wherever possible.

363. This work will also take forward the findings of Defra's data sharing pilot project which included holding workshops jointly with the NFU to ask farmers what made information requests burdensome.

364. The basic principles behind the review is that information should only be collected when it is:

- Essential to meeting minimum EU obligations; or
- Essential to making a decision/approval; or
- Required to verify compliance with regulation.

And:

- No alternative and better means to achieve these are available;
- Only the minimum amount of information required to achieve the outcome is requested, and;
- The data collection is undertaken in the most streamlined manner available.

365. The review is being done by independent business compliance experts. The broad process is to:

- Understand why information is collected and how it is used working with the regulator;
- Interview business to understand their perspective and how hard it is to report;
- Review initial proposals in a challenge session, and;
- Make recommendations to Defra.

366. The next stage of the review will now cover all other information Defra and its agencies ask from farmers including for example:

- Sheep and goat inventory;
- Farm business survey;
- Cattle movements;
- CAP schemes;
- Animal imports and exports, and;

- June and December surveys.

367. Recommendations for further simplification will be made in spring 2014 with an implementation plan in June 2014.

Using data more efficiently

368. Find-It Tool for Defra: Defra officials have commissioned the Health and Safety Laboratory (HSL) to develop its Find-It tool for Defra. HSL has developed a GIS-based tool to support the Health and Safety Executive in carrying out risk-based, targeted inspections. The tool joins a number of corporate databases allowing HSE to rank businesses based on risk. This was identified as a potential solution for the Defra network to share inspection and risk factor data, including compliance and visit history. The tool will join up farm information from AHVLA, the RPA, Natural England, the Environment Agency and the Survey of Agriculture and Horticulture from Defra (see Commitment 33).

369. Report once use many times: Defra officials are working towards a 'report once use many times' approach to data collection so that businesses provide information only once across multiple transactions. Rather than developing a single system for all data reporting obligations, officials are working in an agile way, redeveloping a single system (the Environment Agency's waste carriers, dealers and brokers system) to test feasibility before extending the concept to other systems.

370. The intention is to develop systems using common data formats (to allow sharing of data across multiple systems) and non-proprietary open source software (to reduce development and maintenance costs). The results of the zero-based review of information requests (part of the Smarter Data Review) will inform which systems to tackle next by highlighting which reporting areas generate the biggest burden on businesses. Defra have submitted a capital bid for funding to support delivery of this work which is currently being considered.

371. Single data protection statement: A Data Sharing Pilot Project run by Defra officials explored the potential barriers to sharing information. This project concluded that not having a single data protection statement was not a barrier to sharing information. The work produced a systematic summary on how perceived legal barriers to data sharing can be overcome. The summary was circulated to Defra regulators in June 2012 and is helping to increase understanding of the legal landscape surrounding what information can and cannot be shared. By increasing understanding of the legal landscape it is hoped incorrect refusals to share information between regulators will be eliminated, and with them, the duplicated information requests to businesses they can cause.

372. In 2012 Defra officials worked closely with the NFU to explore whether or not a data protection statement would improve data sharing. In conjunction, Defra ran a Data Sharing Pilot Project to explore potential barriers to sharing information. The results of the Data Sharing Pilot Project were used by Defra's Farmer Information Group to share

contact information in order to better co-ordinate messaging from across the Defra network to farmers.

373. Building an evidence base of what farmers are asked to do to meet both regulatory and non-regulatory requirements: Defra has conducted research to build an evidence base of what farmers are asked to do to meet both regulatory and non-regulatory requirements. The following projects have contributed to this evidence base:

- [Micro businesses and environmental regulation](#) - seeking to ascertain how such businesses experience and respond to environmental regulation.
- [Business perspectives on approaches to securing compliance](#) - capturing business perspectives on the effectiveness of regulation in general as well as views on compliance and enforcement activity.
- [The cumulative impact of regulation on farming in England](#) - looking at the financial cost of farming regulation

374. In addition to research projects, as part of the Red Tape Challenge process, Defra has built up a comprehensive list of all agricultural legislation. This list will be reviewed with a view to scrapping or improving legislation where possible.

Impact

375. The purpose of these actions is to reduce burdens on farmers by collecting only the information that is needed in the most efficient way and making full use of the information that is captured.

Capturing data more effectively

376. Smarter Data initiative: this initiative is expected to make forms and other information asks much easier for farmers and others by both reducing what information needs to be provided and simplifying how it's collected. As a guide the recommendations already made for environmental requests could reduce the costs to business of reporting by up to 20% if fully implemented. Defra had already implemented 10 simplification measures by January 2014 and will set out further plans in March and June 2014 for implementing the remaining measures.

Using data more efficiently

377. Find-It tool for Defra: The Find-It tool will have a number of benefits to both the farming industry and the government including:

- Improved Customer Experience from fewer more focused visits; Reduced costs for compliant business supporting business growth;
- Resource efficiency and financial savings for Regulators, and;

- Improved understanding and evaluation of interventions.

378. Work is currently underway to better evaluate the potential benefits of the Find-It tool for both farmers and regulators.

379. Report once use many times: An 'Amazon' type experience for users will result in pre-population of forms saving business the time and expense of providing duplicated information. From a regulator perspective this approach should result in reduced system costs enabling them to direct resources to higher value activity (i.e. targeting non-compliance).

Implementation Group Assessment

Implementing a new approach to data collection that improves the efficiency of its supply, capture and use is extremely important and it is good to see that the government is taking this agenda seriously.

The Smarter Data Review is an example of how we would like to see better regulation initiatives taken forward – starting from the point of building an evidence base and challenging all avenues to find reduced burdens. We are pleased this work has been expanded to incorporate agricultural information.

We urge the government to keep driving these projects forward. When complete they stand to make a noticeable difference to farmers.

Recommendation 5.15: A new approach to data collection that improves the efficiency of its supply, capture and use

Government Commitment 50: Explore the potential for digital maps and geographic information services (GIS) to offer new interactive ways of exchanging data and communicating with farmers.

Action

380. As reported in the government response to the Task Force report, Defra have already reduced the impact of data collection on farmers by, for example, using remote sensing aerial photography to maintain the Rural Land Register. This allows the number of physical inspections to be reduced, while still meeting regulatory requirements. For many customers, all they will know of a remote sensing inspection is

a letter informing them that the inspection has been completed and there is no action for them.

381. The government sees the development of GIS capability as a key element of the ‘digital by default’ approach. The Environment Agency has developed a GIS based tool called ‘What’s in Your Backyard for farmers’. Farmers and those who advise them can enter their postcode and establish the main environmental issues in their patch. It is linked to a succinct set of locally tailored messages that relate to key actions a farmer can consider for their farm. It is hosted on Environment Agency website but access to it will move to gov.uk from 1st April 2014.

382. Another way in which the government is developing GIS capability is through the Find-It tool. The Find-It Tool is a GIS based tool that will allow inspectorates to effectively plan inspection visits and manage resources using the mapping facility available (see commitment 33).

Impact

383. The latest figures available for the number of remote sensing and physical inspections carried out in 2013 to meet the regulatory requirement to carry out land eligibility inspections on 5% of the SPS claimant population:

Physical random	555
Physical risk	715
Remote random	545
Remote risk	3943

Total random	1100
Total risk	4658

Total physical	1270
Total remote	4488

Total SPS	5758
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384. Of the 4488 remote sensing cases, approximately 1170 have had some kind of follow-up physical inspection but a lot of these would be to check a single field rather than a full physical land eligibility inspection.

385. The industry, in particular the Agricultural Industries Confederation, has welcomed the Environment Agency’s ‘What’s in Your Backyard for Farmers’ tool and is promoting it with their member companies especially those employing agronomists.

Implementation Group Assessment

We are in a much better situation than before with the roll out of remote sensing aerial photography. However, we remain concerned that the requirements for detailed mapping seem particularly burdensome and disproportionate on farmers. We fear that these demands will only be increased with the greening aspects of the new CAP.

We would like to see an expansion in the use of aerial photography, and other ways of gathering data, which do not impinge directly on farmers.

We note the positive approach taken by the RPA to use a risk-based approach for the majority of their inspections.

Recommendation 5.19: Reviewing the requirements to produce plans

Government Commitment 51: Review requirements to complete plans as we prepare for implementing the reformed CAP (post 2013) and during the detailed design of CAP 2013 schemes

Action

386. During main CAP Reform negotiations the UK government position was to fend off any proposals that require farmers to make unnecessary plans. There were no obvious proposals during negotiation of the basic acts that suggested farmers would have to complete any new plans.
387. Defra officials continue to pursue this position as the implementing legislation is negotiated. As of mid-November 2013 there have been no new proposals that indicate farmers will need to complete any new plans.
388. Draft implementing legislation is currently being scrutinised and will be negotiated until the end of March 2014.

Impact

389. There are no new requirements in the CAP basic Regulations for farmers to complete plans as a result of the CAP Reform negotiations. Therefore at worst the regulatory status-quo should be maintained.
390. One of the core objectives of CAP implementation in England is to reduce any unnecessary burdens on beneficiaries and administrations, so Defra officials will continue to make sure this commitment is continued throughout implementation.

Implementation Group Assessment

Defra's intention to reduce the requirements to produce plans is good and we recommend this intention is maintained as CAP implementation continues. However, it is likely that the new CAP will still require plans, and in some cases, more demanding plans. Where this is the case, we urge the government to work with industry to formulate the requirements in the least burdensome way.

Recommendation 5.30: Agricultural surveys

Government Commitment 52: Step up our lobbying of the EU on the development of farm surveys after 2013, and encourage the Commission to join up its data needs across the various domains (statistics, disease control, CAP reporting, etc.) to avoid duplication and inconsistencies.

Action

391. As stated in the government response to the Task Force report, surveys are important. Defra's statistical surveys are used widely by the government and the industry in developing policy and to improve the functioning of the market. However, Defra believes that whilst surveys are important, they must not be overly burdensome.
392. To ensure surveys are not overly burdensome Defra officials are working to influence the EU to include smaller and cheaper surveys by talking to other member states, Eurostat and DG Agri at Farm Structure Survey Working Group meetings and Standing Committee for Agricultural Statistics (CPSA) meetings. Defra officials are also encouraging the European Commission to join up its data needs across various subjects including agriculture and environment to avoid duplication of information requests and inconsistencies, which in the past has led to very similar, but still slightly different data requests being made in different pieces of legislation. The government wants to make sure that the same definitions for data collection apply across the legislation.
393. Defra recognises that the Farm Survey System, which specifies what data must be collected about agriculture by all member states, places a burden on farmers to provide data. Eurostat has now produced a revised draft Regulation covering the Farm Survey System. While still large and complex, this revision is significantly simplified in some areas in comparison to the current Regulation.
394. The progress of the draft EU legislation has been delayed as it needs to be aligned with other EU legal architecture that needs to be addressed first which includes delegated acts which determine who has the power to amend the existing legislation.

Therefore unfortunately there will be no major changes for the next structure survey taking place in 2016. However, the intention is still that the new legislation will allow for simplifications in the following structure survey in 2020 and beyond.

Impact

395. If successful, the reformed Farm Survey System could help to make more effective use of existing administrative information, such as information provided by farmers applying for the single farm payment. This could help to reduce survey sample sizes therefore reducing the number of farmers burdened with completing the structure survey. It would also reduce the number and complexity of questions that are asked on the surveys, making them easier to understand and quicker to complete for the farmers that are still required to take part.

Implementation Group Assessment

The Farm Survey is still a bugbear for farmers. We understand the government has challenged the need to collect this information and that the outcome was that there are many positive uses for the data from both a regulatory and industry point of view.

However, accepting that the Farm Survey has its uses and is therefore here to stay, there still appears to be significant room for simplification. Simplification needs to include encouraging completion of the survey digitally and making sure all the information collected is necessary and those who provide information can see benefits from doing so.

Recommendation 5.31: Agricultural surveys

Government Commitment 53: Maximise the number of farmers who complete the June Survey electronically through Farming Online

Action

396. While positive feedback was received on the June 2012 survey itself, the complexity of the registration process was a cause of farmers' concern and was a significant barrier to further take up.

397. To tackle this barrier, the Government Digital Service is exploring options for simplifying the access and identification processes for all the government's online services, with a potential solution in place for the first quarter of 2014. In the interim, the registration process for the June 2013 survey was streamlined by removing the need to access it via the Government Gateway.

398. Defra officials are also looking to extend online data collection to other areas. A web version of the Sheep and Goat Inventory was trialled in 2012 and is being made available to all sheep and goat keepers in England in 2013.

399. Defra will continue to have online as the default option for June survey returns, and Defra's digital assist programme will encourage more farmers to fill in the June survey online over the coming years.

Impact

400. After streamlining the registration process for the June Survey in 2013, 15,660 online responses were received, which is 44% of the total. This compares with 8,000 online responses (around 40% of the total) in 2012.

401. Information collected online can be verified at the time of input which can reduce the need to contact farmers to clarify any inconsistencies thereby reducing the burden of additional information checks and requests on both farmers and Defra's farming survey team.

Implementation Group Assessment

Tackling barriers to online take up not only that of the June survey but all online interactions is key to successfully rolling out a digital by default approach.

We commend the efforts made by Defra officials to streamline the registration process for the June survey in 2013 and encourage Defra to use the lessons learned from this exercise elsewhere to encourage greater use on online facilities.

Recommendation 5.33: FERA surveys

Government Commitment 54: FERA will continue to maximise the use of online and electronic tools to reduce the amount of farmers' time the Pesticide Usage Surveys (PUS) occupy.

Action

402. Pesticide Usage Surveys have been conducted for almost 50 years and provide the government with background information on changes in pesticide usage in a range of agricultural & horticultural crops. Fera is commissioned to conduct agricultural,

horticultural and amenity pesticide usage surveys by the Chemicals Regulation Directorate (CRD) of the Health and Safety Executive. The surveys are funded from the pesticides charge on turnover, and the costs are paid to Fera by CRD. The most recent contract was won under open competition. Data are, in the main, collected by face to face visits with individual farmers and growers. Participation in the surveys is voluntary and in excess of 90% participation rate is regularly achieved. The data meet the standards set out in the Code of Practice for Official Statistics and are an important and well-used National Statistic.

403. The data are collected used for a number of purposes including:

- Informing the pesticide risk assessment (approval) process;
- Policy, including assessing the economic and/or environmental implications of introduction of new active substances and the withdrawal/non-approval of pesticide products (the data reported to organisations such as the OECD and EU enabling the UK to honour international agreements); evaluating changes in growing methods and Integrated Pest Management where this has an impact on pesticide usage;
- Informing the targeting of monitoring programmes for residues in food and the environment;
- Contributing to assessing the impact of pesticide use, principally as part of the Pesticide Forum's Annual Report;
- Responding to enquiries (for example, Parliamentary Questions, correspondence, queries under the Freedom of Information Act or Environmental Information Regulations, etc.);
- Providing information to assist research projects which can support all of the above activities;
- Training/teaching programmes which are designed to improve practice in the use of pesticides by the farming/training industries, and;
- Informing the Wildlife Incident Investigation Scheme (WIIS) programme to help identify potential misuse of pesticides.

404. Farmers are legally required to maintain accurate records of their on-farm use of pesticides; many already do this using commercially available farm management software. FERA is actively involved in discussions with the key providers of these products regarding download of farmers' pesticide usage records directly to PUS databases. This would mean that farmers who chose to participate in the surveys could opt to provide their data electronically rather than make an appointment to see a surveyor, if they preferred to do so. In addition to reducing the burden on the farmer,

this approach will also bring savings to FERA as the number of visits to farmers will be reduced.

405. There is general agreement that direct data downloads will be possible but software development is needed, which requires investment. Investment in development of the necessary software with one major farm management software company was secured through Fera's internal continuous improvement programme. Development was estimated to cost £17,000 with an ongoing annual fee of £17,000. Whilst Fera had the funds for the initial development, funds for ongoing annual support were not available. This meant that the development did not go ahead and other options had to be investigated. A 'work around' solution to direct data downloads from this provider has been found which, although not ideal, is working. Fera does not have funds to support development with other providers. Fera continues to investigate innovative ways to enable farmers to provide pesticide usage data electronically and minimise the burden on participating farmers. Each visit takes on average up to 45 minutes, depending on the size and complexity of the holding.

Impact

406. The first electronic download of data was undertaken as part of the 2012 survey of pesticide use on arable farms when, under an agreement with GfK Kynetec (responsible for delivery of the British Survey of Fertiliser Practice), FERA used pesticide usage data gathered by GfK's surveyors. This amounted to 280,000 rows of arable pesticide usage data, and equated to 600 farmers that did not receive a visit from the PUS team in 2012-13.

407. This demonstrated that direct data downloads work in principle, although a number of issues were encountered due to data incompatibility, which made it a costly exercise for the FERA team to clean and sort the data. However, FERA believes it will be more straightforward when the arable survey is next carried out in 2015. Data incompatibility will not be a problem with the bespoke software that will be developed for use with farm management software.

Implementation Group Assessment

Overall we are happy with the progress FERA has made on this issue. The progress on direct data downloads is currently constrained by funding and it is here where the farming industry potentially has a role to play in helping to reduce burdens on individual farmers.

If software companies increase the functionality of their products to allow automatic updates of pesticide usage data to be sent to FERA, the appeal of the product is likely to increase for farmers. This seems to us like an action for the industry to take forward in order to deliver a direct reduction in reporting burdens to their customers.

Chapter Six: Environment and land management

Recommendation 6.04: Environment and land management

Government Commitment 55: We will integrate and prioritise environmental messages for farmers and advisers by tackling the current causes of confusion.

We are working with delivery partners, advisers and farming and environmental stakeholders to develop a framework that will enable delivery of integrated and prioritised environmental messages on a local scale.

Action

408. The government is committed to delivering a more coherent experience for customers. Work is well underway to improve the customer experience by reviewing how farmers receive advice and how the government communicates key messages with the industry.

Key Messages

409. Key messages for farmers have been discussed and developed with key industry representatives and delivery partners. The Environment Agency has used these messages to develop a set of integrated messages for farmers and those who influence them. The 'Key Actions for Farmers for Water Management' are presented in a way that focusses on the interests of the farmer to prompt action to:

- Improve and protect water quality;
- Secure water resources;
- Adapt to a changing climate, and;
- Reduce flood risk.

410. The key messages have also been incorporated into the Campaign for the Farmed Environment (CFE) where there is a focus on agreed priority messages for the environment. The new CFE that commenced in April 2013 provides an industry-led integrated local delivery approach focussed on environmental outcomes on farms

covering biodiversity, resource protection, input efficiency and crop protection. The priority messages were agreed by all CFE partners.

Improving delivery of advice

411. As well as messaging, the government has also addressed procurement and delivery of advice. The Review of Advice, Incentives and Partnership Approaches (the AIPA Review) was published in March 2013. The AIPA Review makes commitments to eleven deliverables that Defra and the farming sector have agreed, to improve advice to farmers including:

- To ensure that any new advice requirements which are born out of the next round of the CAP and RDPE are delivered in an integrated fashion with a consistent approach across the whole programme;
- To seek to develop a more flexible and adaptable approach that will simplify things from the farmer's perspective, and allow incorporation of requirements under the next CAP, and;
- As soon as practical to develop a unified contractual arrangement (a framework contract) that will allow government supported out-sourced advice to be brought together and delivered locally by trusted sources. This may be delivered by different organisations 'on the ground' to best suit local circumstances and would ensure that different types of advice could be better linked, reducing the number of government supported advisors any one farmer needs to speak with to get advice.

412. Defra officials are actively addressing implementation of the AIPA Review's commitments for delivery of advice before and during the next CAP Round (2015 to 2020). Discussions are underway with industry stakeholders and advisers to address the new Regulatory requirements for CAP advice including the feedback received from the advice questions in the recent CAP Consultation i.e.

- How should we support advice and skills for the farming, forestry and land-based sectors under the new Rural Development Programme?
- How can we ensure any advice provided to the farming, forestry and other land based sectors and through the new environmental land management scheme is integrated and linked with advice provided within the industry in the light of the Review of Advice and Partnership Approaches?

413. As well as messaging, Defra officials have also addressed procurement and delivery of advice, and widening the scope to include advice additional to environmental.

Impact

Key Messages

414. The Environment Agency's 'Key Actions for Farmers for Water Management' have been welcomed by industry and joint industry initiatives particularly Campaign for the Farmed Environment (CFE) where the messages are being embedded in guidance. The potato council recently published a document on irrigation best practice and incorporated the messages on managing water resources, in the short and long-term, into their guidance. For consistency, the messages are embedded in the GIS tool 'What's in Your Back Yard for farmers' tool described under Commitment 50 in this report.

Improving delivery of advice

415. Government-funded advisers (e.g. Farming Advice Service, Environment Agency, Catchment Sensitive Farming) are already working with industry advisers (e.g. Campaign for the Farmed Environment) to reduce the level of confusion by closer integration and sharing messaging and events. Within the industry-led CFE, the involvement of the key industry initiatives (Tried & Tested, the Voluntary Initiative and the Greenhouse Gas Action Plan) means that a common set of prioritised messages are shared by a range of partner organisations giving environmental advice.

416. Impact for the farmer resulting from successful implementation of the 'Review of Advice and Incentives' will include:

- More advice delivered by professionals and trusted organisations that understand local issues and concerns;
- Clear and focussed messages that are easier to implement on-farm;
- Access to better local knowledge exchange and networks where farmers can share ideas and learn about best practice in a practical setting;
- The individual farmer will be more empowered to act through industry-led initiatives;
- A more joined up offering from the government which makes it easier to find the information they need;
- Farmers will have to speak to fewer people to get the full range of advice available to them from the government;
- Advice from the government is simpler and easier to access and navigate than it is now, and;

- Farmers are less likely to see transient new advice schemes and initiatives but will instead see trusted and available professional advisers who are able to provide up-to-date support and advice.

Implementation Group Assessment

Whilst this appears to be a positive direction of travel, there is still a separate Farming Advisory Service, Catchment Sensitive Farming, and Campaign for the Farmed Environment and other advice streams initiated by regulators, where consistent and integrated messages are essential. The next RDPE may introduce further environmental advice routes. More to the point we are not clear that the environmental messages are any clearer for farmers on the ground. To achieve this, Defra and its regulators need to be agreed on what their environmental priorities are for farmers.

We urge the government to keep pressing this agenda as part of the delivery of messages under CAP reforms greening and RDPE changes.

Recommendation 6.15: Nitrates and Water Framework Directives

Government Commitment 56: Provide clearer guidance for farmers on the basic measures required to safeguard local water quality, to coincide with Common Agricultural Policy (CAP) and associated Rural Development Programme for England (RDPE) arrangements for 2014.

Action

417. Key messages for farmers have been discussed and developed with key farming industry representatives and delivery partners. The Environment Agency has used the basis of these messages to develop a set of integrated messages for farmers and those who influence them. The 'Key Actions for Farmers for Water Management' are presented in a way that focusses on the interests of the farmer to prompt action to:

- Improve and protect water quality;
- Secure water resources;
- Adapt to a changing climate, and;
- Reduce flood risk.

418. The key messages have been incorporated into the Campaign for the Farmed Environment (CFE) which focusses on promoting voluntary measures that farmers can take to improve water quality.
419. In the new CAP legislation, provision of advice on the requirements for farmers to implement the Water Framework Directive, has been made mandatory under the Farm Advisory System and advice on other measures for the protection of water has been made optional.
420. The Water Quality and Agriculture Project was established by the government to improve the water environment and support a sustainable and competitive farming industry in England. The project will ensure that farmers know what they have to do under regulation, where they can get further advice, and who will pay them to go further to achieve improved water quality outcomes.

Impact

421. The inclusion of basic messaging about water quality, and what measures are needed to protect it, within guidance on a whole farm environmental approach, will make it easier for farmers to understand the basic requirements for resource protection and biodiversity.

Implementation Group Assessment

The projections for this work look good but it is difficult to make an assessment when the work is in the early stages. It is important that this work builds on existing activities such as Catchment Sensitive Farming (CSF).

Recommendation 6.16: Record-keeping and calculations

Government Commitment 57: When completing the review of the Nitrates Regulations Defra will work towards significantly reducing the paperwork, including the need for detailed plans and maps. Defra will also work towards reducing the complex calculations required of farmers, particularly in relation to manure and slurry.

Action

422. New Nitrate Regulations came into force on 17 May 2013. These introduced a system of reduced record keeping on low-intensity farms, which will result in a modest benefit to extensive sheep and beef farmers. Defra officials do not have an accurate assessment of how many farmers might be helped by this change. For the purposes of

the impact assessment accompanying the regulations they estimated that half of the farmers in less favoured areas (about 1030 farms) would benefit.

423. In addition, Defra officials have reduced the paperwork burden on farmers by re-structuring, and streamlining the [guidance](#) on these regulations. It is now easier to follow, and clearly sets out what is required in order to comply with the law, and what is simply good practice.

Impact

424. This will deliver a modest but welcome benefit to extensive sheep and beef farmers.

Implementation Group Assessment

We are concerned that the exemption for low-intensity farms is not as good as it appears to be. Low-intensity farmers will still have to keep records to prove their management practices. This is perhaps a missed opportunity to remove from regulation a category of low risk farms as part of an intelligent based approach to regulation.

The government needs to carefully communicate this exemption to avoid the risk of farmers misinterpreting it and failing to keep any records.

In addition, there is no real reduction in the paperwork or requirements to produce plans for farmers in NVZs; and the slurry and manure calculations remain largely the same. This is disappointing and highlights the importance of Defra working in partnership with the industry to see if they can bring about changes to this outdated and prescriptive legislation and how farmers are required to demonstrate compliance with it.

Recommendation 6.17: Record-keeping and calculations

Government Commitment 58: Defra will ensure that only a record is kept of the amount of nitrogen applied per field in organic and inorganic form. Defra will consider earned recognition proposals, where farmers have a detailed nutrient management plan we recommend that they could earn the right to be less frequently inspected.

Action

425. Defra officials are working to explore options for giving recognition to farmers with a nutrient management plan, probably through a reduced likelihood of inspection.

Impact

426. In principle, this provision could apply to all farmers within nitrate vulnerable zones (58% of land in England), who claim single farm payment.

Implementation Group Assessment

We are disappointed that as yet slow progress has been made on this outcome given that the NVZ consultation closed over 18 months ago. If this can be achieved it would be helpful in reducing regulatory burdens on those who have high paperwork burdens.

Recommendation 6.18: Record-keeping and calculations

Government Commitment 59: Defra will look into expanding the Farming Theme of Business Link to enable farmers to submit electronic copies of nutrient management plans online. To complement this, we recommend that Defra, the Environment Agency and trade associations jointly encourage better take-up of PLANET, the Defra-developed nutrient management software that helps with doing the calculations and keeps records.

Action

427. Both the government and industry bodies (e.g. National Farming Union) continue to encourage the use of PLANET. This promotion has worked well: Defra's Farm Practices Survey shows that PLANET is the single most popular way of producing a nutrient management plan.

Impact

428. The proportion of holdings reported as completing a nutrient management plan has increased from 46% in 2006 to 57% in 2013, which counts for 73% of the farmed area. This is likely to be a result of both the promotional activities that the government and industry have undertaken in recent years to highlight the benefits of nutrient management planning, and farmers' desire to make best use of available nutrient resources which has become particularly important as the price of mineral fertilisers has continued to rise.

Implementation Group Assessment

Good nutrient management is part of good farming practice and widespread improvement of nutrient practices will make a material difference to achieving Water Framework Directive outcomes. It is therefore encouraging to see that the proportion of holdings completing a nutrient management plan increased to 57% in 2013. If this can be linked to reduced demands on farmers with plans, for instance by reducing their risk of inspection, then all the better.

Recommendation 6.19: Record-keeping and calculations

Government Commitment 60: Defra will look into whether the application for derogation could be incorporated into the Single Payment Scheme (SPS) claim, and information shared with the Environment Agency.

Action

429. The Commission Decision (issued in January 2014) specifically requires farmers to apply for a derogation each year one is needed as the authorities must be satisfied that each farmer fulfils the eligibility criteria at each application. In addition, a new condition (that the farmer must confirm that s/he will abide by the rules during the derogation year) has been added for 2013-16.
430. Including the application for a derogation in the SPS application would not only add a significant extra section to the SPS application form, which would be relevant for only a small proportion of claimants, but it would also prevent farmers who may decide late in the year, after the SPS application form deadline, from applying for a derogation. The application period, running up to the end of the preceding year, gives farmers the flexibility to firm up their plans after making their SPS application. Defra officials have therefore concluded not to incorporate the application for derogation into the SPS application form.

Implementation Group Assessment

This is disappointing and a missed opportunity to reduce information demands by smartly targeting those livestock farms most likely to require a derogation. Overall it shows that Defra should work with the industry to bring about a mind-set change in the European Commission in respect to the management of nitrates and diffuse pollution in a comprehensive way.

Recommendation 6m.20 Record-keeping and calculations

Government Commitment 61: Defra will ensure that NMax calculations will only be required when a significant change in farming practice occurs, or the fertiliser recommendations¹⁵ change substantially.

Action

431. The government has revised the [guidance](#) which accompanies the new nitrates regulations so that it makes clear when farmers need to calculate NMax. After having made the calculation in the first year, this would not need to be re-calculated again unless a significant change in farming practice occurs.

Impact

432. Defra received positive comments on the revised guidance from farmers.

Implementation Group Assessment

The revised guide appears to read very well and is logical. It makes it clearer that the calculation is not required where field records already demonstrate that N applications to each crop in each field are already below the Nmax limits. We urge Defra to ensure RPA inspectors are aware of this fact.

Recommendations 6.21-6.22 Exemptions for organic and low-intensity farming systems

Government Commitment 62: Defra will look into the possibility that where an organic farmer in a Nitrate Vulnerable Zone (NVZ) is fully certified by a relevant organic certification body, the organic land should be assumed compliant with the Nitrate Regulations and the farmer should not have to carry out the additional record-keeping.

Similarly, Defra will look into implementing a lighter touch approach with regard to low-intensity farmers within an NVZ.

Action

433. The government looked closely at whether organic farmers, or others, could be exempted from the rules and concluded they could not. However, a comparison of the record-keeping and calculations needed to comply with organic farming rules and with nitrates rules showed little difference. In practice the main extra requirements that the nitrates rules impose are to create a risk map and to calculate the nitrogen content of manure produced on-farm.

434. The [guidance](#) which accompanies the new nitrates rules makes clear that where records are kept under organic schemes they will also serve for nitrates purposes – there is no need to create a duplicate set of records. The same principle applies for other assurance schemes.

Impact

435. There will be no specific measurable impact from this aspect of clarifying the guidance. The impact of implementing reduced record keeping for low intensity farmers is discussed under Commitment 57.

Implementation Group Assessment

This again looks like a missed opportunity to reduce record keeping burdens on low-risk premises. We urge Defra to be more ambitious in seeking opportunities to reduce regulatory burdens and work with the industry and other member states to bring about change within the EU rules.

Recommendation 6.23: Review of rules for the use of organic materials with low readily available nitrogen

Government Recommendation 63: Defra will revise the rules to allow for higher limits on the nitrogen content of slow release nitrogen organic materials under the Nitrate Regulations.

Action

436. The government has taken industry evidence to the European Commission in order to negotiate how the UK would apply the Nitrates Directive, demonstrating partnership working. The revised nitrates regulations allow for more effectively timed applications of certified compost.

Impact

437. Allowing changes to the use of certified compost in the nitrates regulations has benefited farmers, for example its use in orchards as mulch is now permitted. Scientific evidence presented by the industry shows that this could increase yields by up to 45%, increasing both the size and number apples. Similarly, the new regulations also benefit those growing grass in order to extract chlorophyll, as this requires higher nitrogen content.

Implementation Group Assessment

This is a good step forward and positive sensible action which demonstrates what can be achieved when the government and farming industry work together on evidence-based policy development.

Recommendations 6.33: Recommendations for long-term change

Government Commitment 64: Review the minimum national closed period for manure and slurry spreading.

Action

438. The government has reviewed the closed period in collaboration with the farming industry through the Joint Industry and Government Working Group. The Group included representatives from the NFU, CLA, Tenant Farmers Association (TFA), BPEX, Dairy Co, and the National Pig Association (NPA). The Group published its report in November 2013. It concluded that at present, the evidence did not support a

change (e.g. introducing flexible closed periods). However, industry and Defra agreed to continue to monitor the situation and review any new relevant evidence, including research from other Member States that might inform different arrangements in future.

439. Nevertheless the government remains committed to reviewing any new evidence that emerges, and acting on it if the balance of the evidence changes.

Impact

440. As the existing rules will be maintained no impact is expected from this action.

Implementation Group Assessment

We recognise that a good transparent process has been conducted which in itself is good regulatory practice. We recognise that the Nitrate Directive introduces a frustrating inflexibility to use of organic livestock manures. Although current evidence show that flexible closed periods would be difficult with the constraints of current weather forecasting abilities, it should be a high priority for industry and the government should continue to work together to find a solution in the future.

We agree that a review should be conducted if evidence shows that flexible closed periods could work in practice, especially during extreme winter weather and that modern communication methods with farmers has the potential to be more responsive and rapid to changing conditions.

Recommendations 6.26, 6.30 & 6.34: Recommendations for long-term change

Government Commitment 65: The department will look at the causes, and solutions to, all sources of diffuse pollution, not in isolation.

Action

441. The government launched a policy framework for the catchment-based approach on 3 June 2013, ensuring that at a local level the sources of diffuse pollution and potential remedies can be considered holistically. The roll-out of catchment partnerships is now in progress with 108 catchment partnerships established across all of England's 89 (including cross border) catchments to deliver enhanced River Basin Management Plans for 2015. Once the catchment-based approach is seen to be making inroads, it will be used as evidence before the European Commission.

442. Defra's Water Quality and Agriculture Project is examining how to improve the water environment in England and ensure a sustainable and competitive farming

sector. The project is developing a framework of measures which can be implemented locally through catchment partnerships, and is supported by a panel of active farmers to help inform policy development. As part of this, Defra officials are working with regulators to identify the basic measures that all farmers should adhere to and the additional supplementary measures that can be financed or delivered by third parties.

Impact

443. The new catchment-based approach involves local communities in decision-making to improve the quality of the water environment. Together with the measures being developed through the Water Quality and Agriculture Project, this will help tackle important issues such as nutrient loss and support our commitment to a sustainable and competitive farming sector.

Implementation Group Assessment

We commend the holistic approach taken by Defra to tackle the important issue of diffuse pollution. The catchment-based approach is in our view the right way forward when compared with the inflexible approach taken in the nitrates regulations.

The availability of local evidence to pinpoint specific issues that need to be tackled within an area, and which are compelling to local farmers, is critical to getting full stakeholder and farmer buy-in to this approach.

Recommendations 6.37: Water White Paper

Government Commitment 66: Defra will continue to work with the farming community, along with other stakeholders, as we develop policy for long-term reform of the abstraction management system as suggested in the Water White paper.

Action

444. The government published its consultation on reform of the abstraction management system in December 2013. This consultation includes two options both aimed at making the most of our water resources to promote resilient economic growth while better managing catchments to protect the environment. The first option is a modified version of the current system of abstraction regulation, and the second is a system based around water shares. This second option would mean a move away from abstractors having an absolute quantity of water in a licence and towards them having a share of a variable resource. Both options facilitate trading but the water

shares option facilitates shorter-term and up-stream trading. Both options replace seasonal restrictions on licences with access based on river flow levels.

445. Another key element for both options is moving towards a system where all licences are the same in a key respect: none would have a fixed end-date but all would be reviewable, as this is more efficient and fairer than the current two-tier system where some licences have end dates and some do not.

446. The government has worked closely with the NFU, the CLA and the Horticultural Trade Association (HTA) in developing these options through the Abstraction Reform Advisory Group, on which they are all represented. Workshops have also been held with farmers and growers, and government officials have talked at NFU, CLA and HTA meetings.

Impact

447. Reform options will provide greater flexibility to farmers and growers who irrigate their crops. If such irrigators do not need all the water they have access to, they can sell it, while those who need more, can buy extra water. Irrigators will also be able to fill their reservoirs at any time when flows are high, not just in the winter. This should allow irrigators to have greater resilience against low flows and drought. It will also provide business opportunities to farmers to invest in reservoirs to provide water resilience services to abstractors in catchments.

Implementation Group Assessment

What is proposed here is an example of smarter and better regulation. It will make for the more efficient use of our water resources, which is a big win for the farming industry as a whole. We appreciate that for some farmers with existing open-ended water licenses, these changes will not be welcome. Coupled to this whole approach should be a real drive to encourage the building of on-farm reservoirs to improve water storage to protect the ability of farmers to produce food.

Recommendation 6.40: Water abstraction - problems with licensing

Government Commitment 67: The Environment Agency will improve market information to make it easier for willing buyers and sellers to understand the potential value of their abstraction licences.

By July 2012 the Environment Agency will publish data on water licences so that those interested in buying them can approach potential sellers, encouraging the emergence of market makers and brokers.

The Environment Agency will examine large unused licences to consider whether it should revoke the licence if the holder does not have reasonable need for it.

Action

448. Data on water abstraction licences has been published and is available on the internet. Defra officials also plan to focus on a few catchments and take actions to encourage and facilitate trading, as discussed in the Water White Paper. The first such pilot is planned to start in 2014 working closely with Southern Water.

449. The Environment Agency are looking to target major unused licences over the period to transition to a reformed system as resources allow.

Impact

450. Although improving market information will go some way towards facilitating trading, it is not expected to have a particularly large impact on farmers.

451. Tackling unused licences is thought to have a very small impact on farmers, as taking a licence away would not necessarily make the water available to farmers.

Implementation Group Assessment

We believe trading within the farming sector is a good way forward and we commend the use of a market mechanism to make the most efficient use of licences. However, we are concerned about potential for water rights to be traded away from the farming sector given the importance of water to high value production and the industry it supports. It is therefore wise to implement this approach first on a pilot basis to assess what impact this may have on agriculture's longer term share of the abstraction resource.

This is a complex idea but one that could have multiple benefits if implemented correctly. We recommend Defra continue to push forward with this work in close partnership with the farming industry.

Recommendation 6.43: Avoiding summer abstraction on farm reservoirs

Government Commitment 68 - Defra wants to encourage farmers to build reservoirs to provide resilience during extended dry periods. However, these structures must be sited and built safely. Defra will not enact the provision in the Flood and Water Management Act 2010 to lower the threshold for the regulation of high-risk reservoirs from 25,000 to 10,000 cubic metres, unless evidence suggests there is a widespread and significant risk to life or property.

Action

452. This provision has not been enacted. Guidance on how to build low-risk, and therefore deregulated reservoirs, will be published in due course.

Impact

453. The guidance will help farmers planning new reservoirs to design them safely and therefore reduce the need for regulation.

Implementation Group Assessment

Defra's decision to not enact the provision to lower the threshold for the regulation of high risk reservoirs has removed a potential barrier to building on-farm reservoirs. However, this falls well short of actively promoting more reservoirs to be built. Given recent extreme weather, we call on Defra to review the scale of new farm reservoir building to assess what further radical steps, such as tax incentives and RDPE support, should be allocated to this critical infrastructure investment. This is an important area for high value production.

Recommendation 6.50: Water Supply (water Fittings) Regulations 1999

Government Commitment 69: Defra will engage with the Water Regulations Advisory Service and encourage them to review their guidance for farms, in collaboration with relevant farming organisations to ensure that compliance is cost effective, practical and relevant to risk.

Action

454. New guidance was published in May 2012 and is available [on the WRAS website](#).

Impact

455. Following the publication of new guidance there has been a noticeable reduction in concerns raised by the farming industry.

Implementation Group Assessment

The revision of this guidance has been effective at answering key questions from farmers and we commend the approach taken to revise it with input from representatives of the farming industry.

Recommendation 6.54: Maintenance of seawalls and other coastal/fluvial assets

Government Commitment 70: Defra will continue streamlining the consenting system moving towards a simple and risk-based system.

Action

456. Preparation for the expansion of the environmental permitting framework is progressing. Enabling clauses are included in the Water Bill presently going through Parliament. Assuming enactment in early summer 2014, the government intends to publicly consult on proposals to include flood defence consents and fish pass approvals within environmental permitting in 2015. A subsequent consultation on incorporating water abstraction and impoundment licensing is scheduled to begin in 2016. New Regulations will be consulted on and introduced detailing how the consenting schemes will operate as environmental permits. This will show how improvements have been introduced to the permitting process.

457. The government has been looking to make it as clear as possible to landowners/occupiers about which regime applies in which location. The Environment Agency's National Customer Contact Centre now offers a first-stop-shop for all information on watercourse maintenance and is able to provide quick and clear advice on whether a watercourse is a main river or an ordinary watercourse, and thus to direct the enquirer to the relevant Internal Drainage Board or local authority.

Impact

458. The expansion of environmental permitting to include these additional regimes will help farmers as future applications will be managed under one permitting framework. This will save farmers time in applying for multiple permits. This is a saving for both farmers and the Environment Agency as any savings made by the Environment Agency can be passed onto the farmer by way of reductions in fees and charges.
459. Achieving a more consistent regulatory approach will help better inform farmers of their compliance requirements.

Implementation Group Assessment

It is good to see that progress is being made in this complex area of work. There is still a lot to do and accept that the level of complexity could make a single permitting regime for all water unachievable however we commend the efforts made to date.

Recommendation 6.55: Maintenance of seawalls and other coastal/fluvial assets

Government Commitment 71: Defra will discuss options for future maintenance with landowners. We have also provided online guidance to help landowners determine what, if anything would need consent. Consent is risk-based, and when landowners require it, the Environment Agency will provide further support and bespoke consent advice.

Action

460. Where the Environment Agency is not able to continue previous levels of maintenance it is committed to working with the communities affected to find different solutions, including maintenance by landowners or others. The Environment Agency has developed, in consultation with a range of stakeholders, a maintenance protocol which sets out the approach that it will take in such situations; In general the Environment Agency will grant consent where the proposal is to continue with the maintenance work previously done by the Environment Agency, or which had previously been consented.
461. In addition, the Environment Agency has established watercourse maintenance pilots in seven areas in England which will run from October 2013 – October 2014. The pilots are supported by new environmental best practice guidance, and are being used to test out a new approach to easing consent requirements for watercourse de-silting while ensuring that the environment is protected. As part of the pilots the

Environment Agency aim to make their future maintenance plans, and the basis for them, clearer to landowners and other stakeholders within the catchment area. The pilots also include consideration of how the Environment Agency can best support farmers in working co-operatively to undertake maintenance. Some activities are too high risk (e.g. to SSSIs) to be included in the pilots as these need to have individual assessments to ensure risks are minimised. These pilots will be used to inform the design of the new system of flood defence consents under the Environmental Permitting Framework.

462. The Environment Agency is also working nationally with partners to improve communications and guidance for farmers wishing to undertake channel maintenance. This material is being used to support discussions with local stakeholders around the country about the Environment Agency's future maintenance plans and opportunities for farmers and landowners to undertake maintenance themselves.
463. Defra officials are working toward extending the Environmental Permitting framework to the Environment Agency's flood defence consenting regime to enable low risk works to be eligible for standard rules permits or exemptions if the risks are very low, for example the construction of a cattle drinking bay. The framework will enable the administrative burdens associated with applying for a permit to be reduced without compromising flood risk protection; the recent flooding has demonstrated how important it is to ensure that activities are undertaken in an appropriate way that does not increase flood risk. The government will use the Water Bill to give powers to Defra ministers to extend the Environmental Permitting Framework to flood defence consents, and then introduce the necessary secondary legislation.
464. At this stage Defra officials are expecting to consult on (secondary legislation) proposals in late 2014, subject to Parliamentary approval, with a view to commencement in 2015.

Impact

465. Farmers and other landowners or occupiers will have access to better information about Environment Agency maintenance plans. In the seven pilot areas farmers and other landowners will be able to undertake certain maintenance activities without needing to apply for prior consent.
466. When flood defence consents have been brought into the Environmental Permitting Framework, those wishing to undertake activities covered by standard rules permits will be issued with their permit in short time scales. Those wishing to undertake activities covered by exemptions will need only to register (a very straight forward online process) with the Environment Agency. In particular, the Environment Agency will be able to issue a single permit for ongoing maintenance of flood defences or structures that will last a number of years. Currently a separate consent is required each time work is proposed, or for a series of structures on a watercourse.

Implementation Group Assessment

We recognise that the Environment Agency does not have the resources to protect, defend and clean out to the extent that it did some years ago. Against this background it is important to empower farmers to exercise choice and to allow them to get on with necessary work quickly and without bureaucracy. This initial work provides a good example of working on the basis of trust and giving power back to farmers by requiring them to follow guidance in the first instance as opposed to implementing a permitting regime.

We recognise the efforts made by the Environment Agency and Defra to reach the pilot stage which involved close working and consultation with a wide variety of stakeholders. We encourage all concerned to press on with this work and to continue to establish the partnerships that appear to be developing. As soon as possible we would envisage a new regime which allows farmers to clean and desilt ditches and smaller water courses, without a permit but following clear EA guidance. Farmers who fail to follow guidance would risk having the right to clean removed and be required to apply for a permit.

We anticipate that this form of approach should provide the model for a general licence (on the model of wildlife management licences) for watercourse maintenance that farmers could use nationwide.

Recommendation 6.61: Overarching permitting issues

Government Commitment 72: The Environment Agency will revise the Environment Permitting Regulations application forms for intensive pig and poultry businesses so there is a farm specific application form by July 2012.

Action

467. The form has been completed and is awaiting approval from the Smarter Data project. Once approval is gained it will be published.

Impact

468. Defra anticipates that, if published, this farm specific application form will result in a time saving for farm businesses as it is more streamlined and the questions are focussed specifically on-farms.

Implementation Group Assessment

In principle this is good news although we had hoped to see publication in July 2012.

Recommendation 6.62: Overarching permitting issues

Government Commitment 73: The Environment Agency will provide the facility for permit applications to be completed online, through the Integrated Regulation programme.

Action

469. The Environment Agency published a short waste exemptions guide in early 2012. The Environment Agency also posted an online video and tweeted on how to successfully register.

Impact

470. The shorter waste exemptions guide made it easier for farmers to register online. Around 70% registered online. The previous response rate was around 20%. The guidance is available [here](#).

471. EU legislation requires that those who recover or dispose of waste may only do so with the benefit of a permit, the principal purpose of which is to protect human health and the environment. EU legislation also allows for exemptions from the need for a permit providing general rules are laid down for each type of exempt activity for example specifying the types and quantities of waste that may be covered by the exemption and the operator registers the exempt activity with the relevant regulator.

472. Defra officials are continuing to work with the Environment Agency to identify waste exemptions that can be improved to further reduce unnecessary burden on businesses where it is environmentally sound to do so. Exemptions are a cost effective way of implementing EU legislation in a way that is proportionate, risk-based and encourages smaller-scale low-risk operations for the genuine re-use and recovery of waste.

Implementation Group Assessment

This is good so far and it is very encouraging to see 70% of users registering online. We encourage the continuation of this work.

We can see room for expanding this work to include a provision for email reminders to be issued to online applicants. This would demonstrate a real step change in electronic engagement.

We recognise that farmers have found the video on the Environment Agency website helpful when registering waste exemptions. The video provides a good example of assisting in the uptake of regulation by making it easier for the farmer to comply.

Recommendation 6.66: Waste management

Government Commitment 74: The Environment Agency will continue developing standard permits and where possible we will amend the current exemptions to ensure they encourage low risk waste recovery and reuse waste. The aim is to continue to make regulation as light touch as possible.

Action

473. The government introduced a suite of new and revised exemptions from permitting in April 2010 to encourage small-scale lower-risk waste recovery. Consideration will be made of how effective the suite of exemptions introduced in 2010 has been in terms of encouraging genuine recovery and ensuring environmental protection

474. In December 2013 the government submitted a report to the European Commission on the UKs implementation of the revised Waste Framework Directive. The Commissions' report on its review of the Directive is due to be published by the end of 2014.

Impact

475. Farmers can continue to register for free and carry out exempt waste activities.

Implementation Group Assessment

Positive steps have been taken to date. However, we have a sense that we are still over-doing the process for activities that carry no risk. The government should be more ambitious and not just look to make activities exempt, but to push for activities that are so low risk as to be exempt from being registered in the first place and instead just have best practice guidelines to follow. This would make for a good example of risk-based regulation.

Examples of activities which are very low-risk include:

- Burning untreated waste wood from agriculture and forestry;
- Spreading pig and poultry carcass ash from licenced incinerators on your own holding;
- Use of mulch;
- Spreading of plant matter to confer benefits (i.e. trimmings from on-farm pack houses), and;
- Incorporating ash from burning plant tissue.

Recommendation 6.67: Waste management

Government Commitment 75: Defra will continue to investigate suitable materials for generic 'end of waste' assessments, including agricultural wastes or waste derived products for agricultural markets.

The Environment Agency has established a demonstration project called EQual (Ensuring Quality of Waste Derived Products). EQual will replace the Environment Agency's Waste Protocols Programme this autumn, and is being run in partnership with the government and industry, with industry taking greater ownership of the evidence gathering elements.

Action

476. The Poultry Litter Ash Quality Protocol was published in July 2012 and is available [here](#).

477. The Biomethane Quality Protocol has been completed and was submitted to the Technical Standards Directive Committee in April. It has now cleared the Directive

process and is ready for publication. The Environment Agency will be publishing the Quality Protocol imminently.

478. The Environment Agency is also considering developing protocols for a number of other wastes, including asphalt waste containing coal tar, incinerator bottom ash, paper sludge ash, steel slag, tyre bales and wood.

479. EQual is an innovative demonstration programme, supported by LIFE + that will encourage businesses to use more and better waste-derived material in new products. The programme provides knowledge and tools which help businesses to:

- Make best use of resources;
- Reduce the amount of waste to landfill;
- Reduce the environmental impact of their businesses, and;
- Reduce costs.

480. EQual started in September 2011 and will continue till May 2015. At the end of the project the Environment Agency will publish a report showing the evidence collected on paper sludge and poultry litter filed trials.

Impact

481. End of waste Quality Protocols can help develop markets for products derived from wastes, thereby increasing the income from such products. The Protocols also reduce regulatory burdens as the products which meet the requirements are no longer subject to waste controls.

Implementation Group Assessment

The work on this looks sensible and continues in the right direction of reducing burdens where there is little or no risk. End of waste criteria can be burdensome, however, these burdens are not outweighed by the benefits.

Recommendation 6.67: Waste management

Government Commitment 76: Through the 'European Pathway to Zero Waste', the Environment Agency will develop a protocol for meat and bone meal ash, which if successful will allow its use as a non-waste fertiliser.

Action

482. No further work will be carried out on this Quality Protocol. Due to gaps in the evidence and a lack of funding to address these gaps, the Environment Agency has decided that it will not develop a Quality Protocol that would provide a generic end of waste criteria for meat and bone meal ash (MBMA). MBMA will remain a waste until its final use in a genuine recovery operation that achieves complete recovery of the waste.
483. The Environment Agency, with support from Waste and Resources Action programme (WRAP), industry representatives and funding from LIFE +, has developed a [Quality Protocol for Biomethane](#) was launched in the 30 January 2014.
484. The Quality Protocol sets out end of waste criteria for the production and use of biomethane arising from the degradation of organic wastes in a landfill site or anaerobic digestion plant. The Quality Potocol enables the injection of the gas into the grid or use in an appliance suitably designed and operated for natural gas, without the need for waste regulatory controls.
485. Biomethane to grid is an emergent sector in the UK, which is largely due to cost and regulatory barriers that exist, one of which is the waste status of biogas from landfill and anaerobic digestion. This Quality Protocol looks to provide a route to overcoming this barrier.
486. The introduction of the new Quality Protocol is projected to significantly stimulate growth in biomethane gas (largely from anaerobic digestion) and replace a substantial proportion (1% by 2020) of UK domestic annual demand for natural gas. This will reduce UK dependence on imported gas, as well as reducing emissions of carbon dioxide and delivering an annualised cost saving to business of £34 million, with far greater savings possible should other barriers also be removed.
487. The Quality Protocol is applicable immediately in England and Wales.
488. Matt Hindle, Policy Manager of the Anaerobic Digestion and Biogas Association, said: "*Biomethane has huge potential as a form of renewable energy which can decarbonise hard-to-reach areas such as industrial processes, heating and road transport. The Quality Protocol will help developers and operators by giving greater certainty around waste controls, so ADBA welcomes its publication. On behalf of the industry we would also to thank the Environment Agency and all the other bodies involved in developing the Quality Protocol for their work.*"

489. REAL Certification Manager Ciaran Burns said: “The publication of the Biomethane Quality Protocol is a very welcome step forward in the development of the UK biomethane industry. This confirms once and for all that biomethane from anaerobic digestion can be treated as resource rather than waste, eliminating the need for costly waste handling controls. The biomethane Quality Protocol will set a benchmark for developers of new biomethane technologies to aim for. Along with the non-profit Green Gas Certification Scheme, the Quality Protocol will help build confidence and increase the value of green gas as an alternative to fossil fuels for vehicle fleets, industrial processes and domestic and business users of the gas grid.”

Impact

490. Although improving developing a protocol for meat and bone meal ash will go some way towards facilitating the waste industry, it is not expected to have a particularly large impact on farmers.

Implementation Group Assessment

This outcome is disappointing as it represents a missed opportunity to be forward thinking for an evolving sector.

Recommendation 6.68: Waste management

Government Commitment 77: Defra will hold a ministerial fly-tipping summit that brings together major stakeholders to discuss how national support can be used to back regional and local projects. The Summit will aim to identify and champion affordable solutions and find a holistic approach that is based on communication between affected parties, Local Authorities and the Police.

Action

491. The ministerial summit on fly-tipping took place on 26 July 2012 and a draft Fly-tipping Partnership Framework launched. The Framework outlines best practice guidelines for the prevention, reporting, investigation and clearance of fly-tipping and is designed to be adapted by local groups to suit the circumstances in their areas. The National Fly-Tipping Prevention Group, chaired by Defra and including representatives from private landowner organisations including the NFU, local authorities and the Environment Agency are working on the Framework for publication in early 2014.

492. In tandem the government is funding two fly-tipping partnership pilots in 2013/14, being led by Suffolk County Council and Swindon Borough Council. These will help

identify the benefits and barriers to some of the best practice options outlined in the Framework, including working with private landowners.

Impact

493. The Framework sets out ways that local authorities can work with private landowners, including farmers, to reduce the impact and 'hassle' associated with the clearance and disposal of fly-tipped waste. The fly-tipping partnership pilots are testing some of these ideas and their findings will be disseminated in due course. If the pilots can demonstrate that the suggested options provide benefits to both parties other local authorities and groups are likely to adopt or try out similar arrangements.

Implementation Group Assessment

There have been some positive steps taken to find ways of tackling fly-tipping and we encourage Defra to keep working closely with the LGA and local authorities to learn the lessons from the pilot studies as quickly as possible. The roll-out of best practice is essential, as is strong pressure on all concerned to act toughly on offenders. It is important that the momentum on this work is maintained.

This remains a really significant issue, causing much frustration for the farming industry. We understand the reluctance in central government to administer policy on this issue; nonetheless the fundamental problem remains that Local Authorities will not receive fly-tipped waste without charging.

We still agree with the views of the Task Force, that this issue should be re-evaluated.

Recommendation 6.74: Integrated Pollution Prevention and Control (IPPC)

Government Commitment 78: The Environment Agency will work to ensure that all farms will be eligible for entry to the Pig and Poultry Assurance Scheme, by demonstrating improved compliance.

Action

494. The government is working with trade associations to improve the guidance available to operators on addressing odour complaints. Odour is one of the key pollutants for the sector. A 'top ten' of non-compliances was included in the December

2011 edition of the Intensive Farming Newsletter that's circulated to operators to help raise awareness of current topics.

Impact

495. Membership of the Pig and Poultry Assurance Scheme has now increased to 885 sites; this is around 77% of permitted pig and poultry farms. These numbers are expected to continue to grow. Membership has increased by a similar number in the last two years (~65) although the percentage of permitted farms that are members has only increased slightly by ~3%. This is because of an increased number of permits. Defra officials expect membership numbers to increase again when newly eligible farms are invited to join from March 2014.
496. A number of farmers have chosen to opt out of the scheme as they value their relationship with the Environment Agency. Those who are members of the assurance scheme benefit from a reduced burden of inspection from the Environment Agency, and reduced fees.

Implementation Group Assessment

This is a really good example of earned recognition and we encourage other regulators to look at the Environment Agency model to see where else it may apply.

Recommendation 6.75: Integrated Pollution Prevention and Control (IPPC)

Government Commitment 79: Defra will work with the National Farmers Union (NFU) and other sector representatives to ensure that UK environmental and farming concerns are fed effectively into the European Commission review of the inclusion of the intensive rearing of cattle in IPPC. This must take place by the end of 2012.

Action

497. The Commission concluded that intensive cattle rearing would not be included in IPPC. This was a pleasing outcome for the UK: the position, backed by industry, was that the evidence for inclusion was weak. Defra officials involved industry in negotiations wherever possible, and the department's IPPC sounding board includes the NFU and other industry bodies.

Impact

498. The UK made representations to the European Commission and stated that on the basis of current evidence, IPPC was not appropriate to cattle farming. Subjecting cattle farming to IPPC regulation would have had disproportionate cost implications for farmers representing a significant burden with very little, if any, environmental gain.

Implementation Group Assessment

This is very positive news and we applaud those responsible for taking this common sense approach.

We encourage Defra to ensure that the review of the Intensive Farming Brief document does not make the existing application of permitting more onerous for example in the pig and poultry industry.

Recommendation 6.78: Environment and land management

Government Commitment 80: The Environment Agency will produce guidance for its planning and permitting officers on how to respond to planning applications that include activities requiring an environmental permit, including development.

Action

499. [Planning and permitting guidance](#) was produced in October 2012. It provides guidance for planning and permitting officers on how to respond to planning applications that include activities requiring an environmental permit, including development. As such it helps to make the process of obtaining the necessary permissions to operate easier.

Impact

500. General feedback from users is that the guidance is proving useful.

Implementation Group Assessment

The guidance is very helpful.

Recommendation 6.78: Integrated Pollution Prevention and Control (IPPC)

Government Commitment 81: Natural England will produce a guidance note specifically for intensive farming operators on the planning permitting interface and nature conservation sites by spring 2012.

Action

501. Natural England worked with the Environment Agency to produce guidance on the planning-permitting interface in December 2012. This is published on the Environment Agency, NFU and NPA [websites](#).
502. Defra is continuing to work together with the relevant Trade Associations to establish if any additional guidance/information is required.

Impact

503. Natural England and the Environment Agency will be working with the NFU and relevant Trade Associations, through the established EPR Intensive Farming Liaison Group, to demonstrate the impact of this work

Implementation Group Assessment

We are pleased that the guidance has been published but the real demonstration of progress will be in the impact achieved.

Recommendation 6.78: Integrated Pollution Prevention and Control (IPPC)

Government Commitment 82a: Environment Agency, Natural England and the Countryside Council for Wales (CCW) have established a group to review the scientific evidence ensuring that correct critical emission loads on habitats are established and not exceeded.

Action

504. A working group consisting of members of Environment Agency, Natural England and NRW (previously CCW) reviewed the scientific evidence behind current critical loads and the assessment thresholds used to ensure farms to not significantly add to any exceedance. The review found that current critical loads are appropriate and a set of options for revised assessment thresholds was developed. The review was discussed with Defra Industrial Pollution and Biodiversity in April 2013 who confirmed they need to do further work before implementation of the findings can be considered. Existing thresholds will continue to be used in the meantime and consultation will take place with the industry before any changes are made. Guidance on the correct critical load to use during assessment can be found on the APIS [website](#).

Impact

505. The Environment Agency does not anticipate any significant impact on farmers from this measure, although in the longer term this will depend on further work and legal advice from Defra

Implementation Group Assessment

Commitments 82a & b are assessed under 82b.

Recommendation 6.78: Integrated Pollution Prevention and Control (IPPC)

Government Commitment 82b: Environment Agency, Natural England and the Countryside Council for Wales have established a group to improve understanding of the use of site survey and modelling techniques to predict the potential impacts of ammonia at sites of special scientific interest (SSSIs).

Action

506. Work completed and discussed with trade association representatives in September 2012. The work showed that botanical surveys (especially one-off surveys) offer little

benefit compared to modelling when assessing potential impacts of ammonia during the permitting process. Surveys therefore have a limited role to play in permitting and modelling will continue to be used to assess impacts.

507. This relates to the survey work Natural England and CCW undertook to identify impacts consistent with high ammonia concentrations and nutrient nitrogen deposition at nature conservation sites close to intensive farms. Of the circa 1000 farms permitted in the 2007 main tranche approximately 10% were permitted with ammonia reduction improvement conditions of the circa 1000 farms permitted in the 2007 main tranche approximately 10% were permitted with ammonia reduction improvement conditions. Our modelling indicated ammonia emissions were higher than the allowable thresholds at nearby nature conservation sites. 30 sites appealed their conditions. Natural England and CCW agreed to undertake surveys of the affected sites. It was decided to only require farmers to reduce emissions where the surveys showed evidence of damage that could be directly attributable farm. The majority of the sites showed no clear evidence of damage that could be clearly attributed to emissions from the intensive farms. However, the majority did show signs of eutrophication (nutrient enrichment). This work has been completed and was discussed with trade association representatives in September 2012. The work showed that botanical surveys (especially one-off surveys) offer little benefit compared to modelling when assessing potential impacts of ammonia during the permitting process. Surveys therefore have a limited role to play in permitting and modelling will continue to be used to assess impacts.

508. Industry was concerned about the discrepancy between the modelling results and the survey results. Natural England and CCW reviewed their survey work and presented their findings to the trade associations. The review concluded that the surveys have a limited role in assessing ammonia impacts in permitting.

Impact

509. The government has a clearer understanding of the most appropriate assessment method (modelling) to use during permitting. This means the permitting process is more efficient as applicants do not need to challenge the modelling results or undertake costly botanical surveys which add little benefit.

Implementation Group Assessment

Individual farmers have expressed some concern to us that modelling does not record the specifics of what is happening from the livestock units on local nature conservation sites. This is a difficult area for us to judge but we would recommend that the modelling technique is kept under review.

Recommendation 6.78: Integrated Pollution Prevention and Control (IPPC)

Government Commitment 82c: The Environment Agency and Natural England are reviewing (by April 2013) existing screening distances for all nature conservation sites.

Action

510. A meeting between the Environment Agency, Natural England and Natural Resources Wales took place with Defra and Welsh government officials on 17 April 2013 to discuss intensive farming ammonia thresholds. Following on from an internal review of screening distances it is not believed that any changes are required as they are suitable for the first screening step in permitting with no implications to industry, and the amended permitting thresholds are a second screening step which are more robust and will be based on evidence discussed with Defra and the Welsh Government.
511. Part of our continuous improvement work to simplify the ammonia screening process, the Environment Agency Air Quality and Assessment Unit (AQMAU) reviewed the screening distances used to identify nature conservation sites that should be included in ammonia impact assessments. Due to the large variety of farms both in scale and emission type the conclusion was made that the existing screening distances were appropriate. In addition the Environment Agency National Permitting Service (NPS) currently screen the majority of applications during pre-app discussions and the screening tool provides a distance beyond which emissions will be insignificant and further consideration is not required.

Impact

512. The Environment Agency does not anticipate any additional impact on farmers from this work as screening distances will not be increased and is covered by the existing permitting and assessments process.

Recommendation 6.79: Integrated Pollution Prevention and Control (IPPC)

Government Commitment 83: The Environment Agency will embed established mechanism to address persistent complaints.

The Environment Agency is working with industry to develop a Code of Conduct (on odour, noise and other nuisance issues) that should be available by Spring 2012.

Action

513. The Environment Agency has a persistent complaints procedure and this has been shared with industry and is in use. However, this has not been published on industry web sites. At present any queries are referred to the Environment Agency local office or Environment and Business Department.

514. The Environment Agency has produced a code of conduct which is available on the National Farmers Union (NFU), BPEX, National Pig Association (NPA), the British Poultry Council (BPC), and the British Egg Industry Council (BEIC) [websites](#).

Impact

515. The Environment Agency has received feedback for some national trade bodies that the Code has been generally well received, but there is little specific information available to date on how it's being used in practice.

Implementation Group Assessment

A much improved and transparent position which has resulted from hard work and input from both regulators and industry representatives.

Recommendation 6.83: Energy

Government Recommendation 84: The government will review the timetable for introducing the domestic Renewable Heat Incentive scheme.

The Department for Energy and Climate Change (DECC) will publish a response in spring 2012 to the consultation on levels of banded support under the Renewables Obligation for the period 2013-17.

Action

516. Domestic Renewable Heat Incentive scheme (RHI): DECC consulted in September 2012 on long-term support for the domestic heat sector. The government response to the consultation was published in July 2013, along with a document setting out the final policy for the domestic scheme, subject to State Aid and Parliamentary approval. The aim is to open the domestic RHI in spring 2014. In the meantime, the Renewable Heat Premium Payment scheme will continue to be available until March 2014 to provide support for households.
517. Renewables Obligation: In July 2012, DECC published the government response to the consultation on subsidy levels for renewable energy under the Renewables Obligation. A further consultation was held on solar photovoltaics (solar PV) and on biomass affordability and sustainability where further engagement with industry and stakeholders was necessary to ensure the government had the right evidence. The government response to these later consultations was published on 18 December 2012.

Impact

518. Domestic Renewable Heat Incentive scheme (RHI): The domestic RHI is a financial support scheme for renewable heat. It will be available to individual domestic properties, including farmhouses, provided their properties meet energy efficiency criteria. It is designed to encourage people looking to change their current fossil fuel boiler due to age and/or loss of efficiency. It will offer an incentive to replace that boiler with a renewable heating system. The scheme will support air source heat pumps, ground source heat pumps, biomass systems and solar thermal technologies.
519. Payments will be made to eligible consumers for the renewable heat they generate. The payments aim to compensate for the cost difference between installing and running a renewable heat technology compared to a fossil fuel system. The payments will also take into account barrier costs e.g. installation-related disruption and provide compensation on the additional installation costs to cover costs of financing. The support will be paid for seven years to the owner of the heating system, at a set rate per unit of renewable heat produced (per kilowatt hour). The support rates will vary depending on the technology installed.
520. Renewables Obligation Banding Review: The Renewables Obligation is currently the main financial mechanism to enable renewable electricity generation to compete effectively with fossil fuel generation. It aims to provide support in addition to the electricity price, such that it is economic to deploy the renewable capacity needed in the UK. Ofgem issue Renewables Obligation Certificates (ROCs) to renewable electricity generators for every megawatt hour of eligible renewable electricity they generate. Generators, including farmers, sell their ROCs to suppliers or traders, which allows them to receive a premium in addition to the price of their electricity.

521. The level of support is banded, that is, it varies by technology according to a number of factors including their costs, relative maturity and potential for future deployment. The bands are reviewed periodically to ensure that support levels are set as cost-effectively as possible and that they help to bring forward the capacity needed in an affordable way, delivering value for money for consumers. The publication of the government responses in 2012 set out the support levels for the period 2013-17. This provided the certainty that developers and investors needed to press ahead with their projects. The support rates which came into force on 1 April 2013 will reduce the lifetime subsidy cost of the Renewables Obligation per MWh of renewable electricity generated, by 11% compared to current bands. For customers, this will deliver real reductions in energy bills across the current Parliament.
522. In the longer-term, support for large-scale renewable generation will be provided under Contracts for Difference (CfD). This will provide generators with greater stability of revenue streams by providing a fixed strike price. The government aims to prevent a hiatus through robust and smooth transition arrangements for investors to move from the Renewables Obligation to the CfD. Details on [Renewables Obligation transitional arrangements](#) were published by DECC on 12 March 2014.
523. The Feed-in Tariffs (FITs) scheme: The Feed-in Tariffs (FITs) scheme was introduced in 2010 to encourage deployment of small-scale (up to 5MW), low-carbon electricity generation, particularly by organisations, businesses, communities and individuals that have not traditionally engaged in the electricity market. The technologies supported under FITs are: solar PV, wind, hydro, anaerobic digestion and micro (<2kW) and combined heat and power.
524. The FITs Comprehensive Review, which was launched in 2011 and concluded in December 2012, sought to improve value for money and reduce tariffs in light of falling costs. Taken as a whole, the changes resulting from the Comprehensive Review will place the FITs Scheme on a sustainable footing; providing the transparency, longevity and confidence needed within the industry. It will also enable wider participation to ensure that the scheme will benefit the many, not just the few. Even with the latest tariff reductions, FITs still provide a reasonable rate of return (4.5 – 8%) to those investing in solar panels and other renewable technologies.
525. The government recognises that schemes with long lead times have difficulty securing investors against the background of changing tariffs. To address this, the government has introduced preliminary accreditation, which allows the developer to fix the tariff for a set period ranging from 6 months to 2 years, depending on the technology.

Implementation Group Assessment

We recognise that supporting renewables in a rapidly changing market is a learning curve. However, we remain concerned that the continuous changing of rules and tariffs are confusing to the industry. It gives negative signals out to investors therefore hindering the primary objective to encourage more development of renewable energy projects. The latest changes to the rules around small scale Anaerobic Digesters is illustrative of this confusion.

Recommendation 6.86: Energy from waste

Government Recommendation 85: Defra is working with the NFU and poultry farmers to find cost effective ways of using poultry litter and manures as a renewable energy source while ensuring levels of environmental protection are maintained.

Action

526. Defra have been working with industry to explore if end-of-waste criteria for poultry litter can be achieved

527. Following good progress with discussions in Brussels a vote was taken at the Standing Committee on the Food Chain and Animal Health on amendments to the Animal by-products regulations on 14 January as a result of which regulation of the combustion of poultry litter will now fall to these regulations rather than waste legislation. In doing so this will simplify the requirements and reduce the regulatory burden on farmers whilst protecting public and animal health and the environment. As competent authority for the ABP regulations, AHVLA will work with operators and farmers to put arrangements in place to approve combustion plants according to the revised regulations when they come into force in around 6 months' time.

Impact

528. This will have an impact on farmers and the waste industry who would like to use poultry litter and manures as a renewable energy source.

Implementation Group Assessment

The results of the vote on 14 January are a very positive move towards removing a longstanding hurdle to using poultry waste litter for energy. Being able to convert poultry litter into energy seems to us eminently sensible.

Recommendation 6.87: Energy from waste

Government Commitment 86: The government has identified a potential for the anaerobic digestion sector dealing with the production of energy from waste to grow 3 – 5 times by 2020 if a number of barriers could be overcome. These barriers include accessing finance, availability of waste feedstocks and the regulatory framework. We are working with stakeholders to overcome these challenges. The conclusions of this engagement will be reflected in the government's bioenergy strategy which will be published by March 2012.

Action

529. The number of anaerobic digestion plants continues to increase from 54 when the Anaerobic Digestion Strategy and Action Plan was published to more than 100 today. Most of the actions in the Strategy are expected to be completed this year and will be reviewed with stakeholders to see how successful the Strategy has been in tackling barriers to uptake. Particular focus will also be given to small scale on-farm anaerobic digestion. A stakeholder roundtable was held on 29 April 2013 to look specifically at what needs to be done to encourage this type of anaerobic digestion. The government has announced in September 2013 that our Anaerobic Digestion Loan Fund which has been supporting food waste anaerobic digestion has been extended to farm projects. Up to £3 million in loan funding will be available for small-scale anaerobic digestion plants dealing mostly with farm wastes. Further information on the Fund is available [here](#).

530. The latest information on where anaerobic digestion plants can be found [here](#).

Impact

531. Anaerobic digestion has a range of benefits for farmers. As well as generating renewable energy for use on the farm or for export, anaerobic digestion produces a bio-fertiliser that can be used to replace expensive inorganic fertilisers. It can also help improve nutrient management on farms. WRAP are through the anaerobic digestion Loan Fund offering grants to enable farmers to develop business cases and decide whether anaerobic digestion is right for them.

Implementation Group Assessment

On-farm anaerobic digestion is gathering momentum with considerable strength. The task for the government is to make sure farmers are able to manage it in a sensible way.

Small scale on-farm anaerobic digestion could be a way to produce green energy but where it depends on growing crops it risks distorting the price for and availability of rented land in that area. We believe the priority for on-farm anaerobic digestion should be energy from waste.

Recommendation 6.90: CRC Energy Efficiency Scheme and Climate Change Agreements

Government Commitment 87: The government is committed to simplifying the CRC Energy Efficiency Scheme and will be consulting on proposals for a simplified scheme early this year. The new leaner and simplified CRC will be less burdensome, making compliance easier for business.

Action

532. The CRC Energy Efficiency Scheme is designed to improve energy efficiency and cut emissions in large public and private sector organisations. It requires participants to buy allowances for every tonne of carbon they emit. It is expected to reduce non-traded carbon emissions by 17 million tonnes by 2027, supporting the UK's objective to achieve an 80% reduction in UK carbon emissions by 2050. The CRC scheme applies to emissions not already covered by Climate Change Agreements and the EU Emissions Trading System. Organisations that use more than 6,000 megawatt-hours (MWh) of electricity settled on the half-hourly market in a qualification year are required to participate, and must buy allowances for every tonne of carbon they emit.

533. Following a public consultation, DECC published proposals to simplify the CRC Scheme in December 2012.

Impact

534. The majority of the proposals published by DECC will be introduced at the start of the second phase, in 2014 and will offer participants:

- A 55% reduction in administrative costs, which equates to £275 million up to 2030;
- Reduced complexity, greater business certainty, and less overlap with other schemes.

Recommendation 6.93: Environmental Impact Assessment Regulations

Government Commitment 88: Establish a better way to identify important grassland sites through the review of EIA Guidance. Explore the proposal for a feasibility study as to how the Natural England's Grassland Inventory can be developed.

Action

535. Defra officials met with stakeholders in January 2013 to discuss and assess Natural England's new Single Habitat Layer project for identifying various habitats. A further meeting was held in August 2013 between Natural England and Defra to look at the final output of the Single Habitat Layer project and assess its capacity to identify these small vulnerable areas.

536. How to identify important small important biodiverse areas through these regulations is now tied up with the review of the GAECs for the new CAP and also the potential designations under permanent grassland for the new Greening requirement. So far a feasibility study has been conducted, which recommends that NE should:

- Incorporate available new and updated information into the BAP Grassland Inventories;
- Improve purple moor-grass and rush pasture ground truthing, and;
- Improve data held within the Lowland Grassland BAP Inventories and assess polygons below the Inventory minimum mapping unit and the Regulations' threshold.

537. Guidance to these regulations was also revised at the end of 2012 to make the documentation easier to follow and understand while also making it clearer what is required and what these regulations mean for the farmer and land manager.

Impact

538. A number of these recommendations are being addressed through the Priority Habitats' Inventory project, which is bringing the existing inventories into a single layer and in doing so incorporating additional datasets, addressing overlaps and improving consistency. An additional category of 'good-quality semi-improved grassland' has been included, as well as data from Farm Environment Plans. The first phase of the project was discussed with land management stakeholders in January 2013, in relation to the implementation of the EIA (agriculture) regulations.

539. The second phase of the Priority Habitats' Inventory project, due to be completed in the summer of 2014, is incorporating additional datasets from Local Environmental Record Centres and National Parks as well as Natural England commissioned surveys.

Natural England plan to contract surveys of purple-moor grass and rush pasture in Cumbria in 2014.

Implementation Group Assessment

We acknowledge that Natural England and Defra are acting on the central recommendation made by the Task Force, which sought a clearer evidence base for the application of the EIA screening process to semi-natural habitats. This work is still in progress; we expect that Natural England will want to test the revised EIA guidance with farm businesses and their advisers to ensure it is understood and effective. However the Implementation Group also notes that a Task Force comment, which suggested that the threshold and definition of semi-natural habitats was too tightly drawn when compared with implementation rules in other member states, has not been addressed by Defra. To avoid accusation of gold plating Defra should review this aspect too.

Chapter Seven: CAP, the single payment scheme and cross compliance

Implementation Group Assessment

Given the overlap between the commitments made within chapter 7, particularly those relating to CAP negotiations and the fact that the resulting package has overtaken them (and that Defra's response is still in development), we have produced a summary commentary of progress rather than an individual commentary for each commitment.

Reforming CAP

The CAP implementation team must be commended for both working to and promoting to others the principles of better regulation including early engagement, partnership working and horizon scanning. However, we must recognise that whilst Defra sought reduced regulatory burdens in negotiations, what has come out of the CAP negotiations will see a significant increase in burdens on farmers from the greening and other detailed aspects of the new policy. For example, whilst we had originally recommended reducing the number of crop codes, the reformed CAP requirements for crop diversification will increase the need for crop coding, therefore the farming industry will need simplicity and clarity from more new codes and clear guidance on their implementation.

Implementing a reformed CAP

We applaud the intentions and effort to simplify the CAP and urge Defra to maintain these intentions, and to stick to their better regulation principles during the final implementation discussions. With numerous options within the package the risk of complexity is large, so we urge Defra to continuing working with the industry to identify those options which provide necessary business flexibility, rather than simply choosing those options which present the lowest risk for regulators. Ministers must weigh up implementation choices mindful of business need, limited timescales and resources for implementing the reformed CAP and the risks of audit and disallowance.

Overall the Implementation Group feels that stakeholder engagement has been good both in terms of CAP negotiations and in the continuing CAP implementation.

The CAP delivery team have quite rightly recognised the opportunity offered by this reform for making changes to the IT landscape, and where possible, pushing the digital by default agenda. There is some trepidation from the farmer perspective about its success given past experiences and problems with access to broadband, speeds and capacity, but our view is that digital is the way forward.

A key component of implementation must be user testing and we ask that Defra continues testing as many of their plans with real farmers as possible so as to avoid a repeat of the troubled and burdensome implementation of the current CAP.

As the detailed framework emerges, Defra needs to communicate it to farmers who will take decisions about land and cropping as the months unfold – the seed ordered for September sowing will be the May 2015 crop diversification.

Specifics on implementing a reformed CAP

With so many changes, including the move to digital by default, and the apparent termination of the present appeal panels with such experience as they have gained, the management of CAP implementation in 2015 will need care.

Entitlements transfer

Maintaining a functioning entitlements transfer market after 2 April 2014 will both ease the industry's flexibility over land and entitlements and spread the RPA's load of administering this away from spring 2015.

Delivering advice

We understand from feedback from the farming industry that FAS has functioned well to date. However, we have concerns that advice delivery under the new CAP must not be simply rolled forward from the previous scheme. The opportunity for a radical review with a clear outcome of well-coordinated and trusted advice must be taken. Advice will play an important role in helping implementation happen smoothly.

Soil protection review

We are reassured that the Defra soils team has made real effort to involve the farming industry in reviewing the Soil Protection Review and soil measures. We hope that the revised soil protection requirements will achieve an improvement over the current scheme. The fact that farmers want the least work (paperwork/records) that deliver the best outcomes should be highlighted in the approach taken.

Protection of grassland

Within the requirements of 'Greening' we recommend current arrangements, the protection of grasslands that are already designated for their environmental value (such as SSSIs), should continue.

Recommendation 7.08: Common Agricultural Policy (CAP)

Government Commitment 89: Defra will negotiate to limit the assessment of the underlying breach rate in the general population to the random inspection sample. Defra will continue to argue that member states should not have to increase inspection rates unless there is a clear increase in non-compliance in the general population.

Action

540. On limiting the assessment of the underlying breach rate in the general population to the random inspection sample, in Article 59(2) of Regulation (EU) 1306/2013 (the Horizontal Regulation), the following new text has been secured:
541. 'As regards the on-the-spot checks, the authority responsible shall draw its check sample from the entire population of applicants comprising, where appropriate, a random part in order to obtain a representative error rate and a risk-based part which shall target the areas where the risk of errors is the highest'.
542. In Article 59(5) of the Horizontal Regulation, the following new text has been secured:
543. 'Member State shall ensure a minimum level of on-the-spot checks needed for an effective management of the risks and shall increase that level, when necessary, or may reduce it where the management and control systems function properly and the error rates remain at an acceptable level.' Implementing Acts deriving from Article 62(2) (b) will set this minimum level and what could subsequently cause it to increase or decrease'.
544. Defra now needs to maximise its influence in the negotiation of implementing legislation in order to pursue the line that:
1. The random inspection sample shall form the basis of the breach rate; and
 2. That increases in inspection rates will not occur unless there is a clear increase in non-compliance, and that they can be reduced in the case of decreases in non-compliance.

545. Draft implementing legislation is currently being discussed and the UK is pushing for true recognition of principles (1) and (2) set out above. Negotiation of the implementing legislation will continue until the end of March 2014.

Impact

546. If the principles above are fully recognised and the UK is successful in demonstrating a low error rate, then in theory the Commission should recognise this high level of compliance by reducing the inspection rate. This will benefit both beneficiaries and administrations by reducing the administrative burden associated with an increasing inspection rate.

Recommendation 7.09: Common Agricultural Policy (CAP)

Government Commitment 90: Defra will use the lessons we have learned from previous negotiations and push for simplification and negotiate strongly to avoid proposals which we do not think we can implement.

Action

547. The CAP to 2020 has now been agreed in principle. Throughout the negotiations Defra officials took into account the experiences, and what was achieved, in previous negotiations. This set of negotiations was however unique in CAP Reform history in that it was the first decided by 27 Member States and in co-decision with the European Parliament. This inevitably brought a new set of challenges to achieving genuine reform. Defra officials will continue to take into account the lessons they have learnt during the negotiations on implementing legislation.

548. In particular, UK objectives during the negotiation of implementing regulation and then the actual implementation of the CAP in the UK will be guided by the principles that the implementation of CAP is:

- As simple as possible for CAP customers and delivery bodies to use;
- Affordable for the UK Tax payer; and
- Effective, seeking to maximise the policy outcomes from the CAP: including improving the CAP's capacity to deliver environmental outcomes and to increase the resilience, market orientation and international competitiveness of English agriculture.

549. At times these ambitions may need to be balanced against each other, with decisions on trade-off made between them made accordingly.

Impact

550. The outcome from this round of reform could have been much worse for the UK. There were significant improvements to the Commission's proposals and MEPs were persuaded to move away from some of their more regressive ideas. The UK did achieve a smaller budget, and within that the flexibility to transfer funds from Pillar 1 to Pillar 2, simplification in some areas, and perhaps a greener CAP. Importantly there are now choices in a number of areas in how Member States can implement the CAP. Defra officials now need to focus on implementation learning the lessons of the last reform and make sure what happens is as simple, affordable and effective as possible.
551. Defra is currently consulting on how the scheme will be implemented in England. Some of the provisions agreed in Europe will inevitably add complexity compared with the current scheme, for example, the new rules on greening and on the active farmer test will add substantive administrative costs. Defra officials are however seeking to minimise the complexity of administration in the discussions on the implementing regulations and in the design of the delivery system.

Recommendations 7.11: Single Payment Scheme

Government Commitment 91: Defra will continue to discuss with farming representatives how best to minimise the extent of any re-mapping that is required.

Action

552. Under the Strategic Improvement Plan the Rural Payments Agency (RPA) have introduced a proposed minimum threshold for mapping amendments, which has not yet been implemented pending Commission guidance on the application of tolerances. However, Defra officials are still awaiting that guidance.

Impact

553. It is not yet known how much this proposed minimum threshold will reduce re-mapping because Defra officials must first wait for guidance, which is being developed by the Commission, on what a compliant approach will look like, as otherwise a non-compliant approach would then require further re-mapping.

Recommendation 7.12: Single Payment Scheme

Government Commitment 92: Defra will continue to seek a solution to the challenge of combining SPS and agri-environment scheme maps.

Action

554. Defra's CAP Delivery programme is making it quicker and easier to apply for CAP payments under the new system by replacing the current array of forms and IT systems with a single online CAP application and payment system by 2015. Applicants will be able to view their land parcels and the details of all the schemes they are involved in, in one place, on this online system.
555. This will be implemented for 2015.

Impact

556. Farmers will be able to access their maps online, covering both Direct Payments and agri-environment schemes. This will make it easier for them to ensure that the correct information is held, to apply for schemes and to claim payments. At this stage, before the system has been fully designed and tested, it is not possible provide any quantification of the benefits.

Recommendation 7.13: Single Payment Scheme

Government Commitment 93: Defra will continue to push the Commission to ensure that the required mapping accuracy is limited to that needed to achieve the desired policy outcome.

Each year the RPA considers what proportion of inspections can be completed using Remote Sensing so that it can limit the number of physical inspections.

Action

557. The government pressed for a pragmatic approach to mapping accuracy in negotiations but was unable to secure sufficient support from other Member States.
558. Unfortunately, new, more demanding mapping requirements have been included in the requirements for CAP reform. A delay to 2018 has been secured in implementing the new requirements for mapping landscape features.
559. The government will continue to press for as much simplification as possible in detailed implementing regulations.

Impact

560. Each year RPA considers whether it can further increase the percentage of remote sensing inspections, but they are still required by EU regulation to balance this assessment against specific selection criteria.
561. In 2013 2,403 inspections were carried out by remote sensing in comparison to 2,769 carried out on-farm.

Recommendation 7.18: What the SPS should be claimed on

Government Commitment 94: Defra will consult on the minimum size threshold as we develop our plans for implementing the reformed CAP.

Action

562. Defra consulted on an informal basis with other government bodies, industry and the third sector. A meeting was held on the 5 June 2013 with the Direct Payments Consultative Group (DPCG), which has representatives from; Defra, Agriculture and Horticulture Development Board (AHDB), the Central Association of Agricultural Valuers (CAAV), Country Land and Business Association (CLA), the Institute of Agricultural Secretaries and Administrators (IAgSA), the National Farmers Union (NFU), National Trust, the Royal Society for the Protection of Birds (RSPB), the Tenants Farmers Association (TFA), Wildlife and Countryside Link (WCL), the Wildlife Trusts, the Rural Payments Agency (RPA), and Natural England. This consultative group provided a platform for stakeholders to provide feedback and input on the issue of a minimum claim size.

563. Ministers subsequently decided to adopt a 5 hectare threshold, having regard to views expressed in the DPCG.

Impact

564. With a 5 hectare eligibility threshold, Defra officials expect that around 16,000 current Single Payment Scheme (SPS) claimants (or 15%) will be excluded from direct payments in England, based on SPS 2012 data. Although these claimants will, in consequence, be excluded from cross compliance obligations, a minimum claim size of five hectares will have this impact on less than 1% of agricultural land in England.

Recommendation 7.22: Who should be able to claim the SPS

Government Commitment 95: Defra will restrict, as far as possible, CAP direct payments to land which is actively managed. Defra will push, through CAP reform negotiations, to achieve that in a way which is both enforceable without significant bureaucracy and does not inadvertently exclude other land that should remain eligible.

Action

565. The CAP reform regulations contain complex provisions called the 'active farmer' test. This test will prevent payments being made to farmers whose land is mainly 'naturally kept' unless they undertake a minimum agricultural activity on it, and will prevent payments being made to those who operate any one of several activities (such

as airports or railway services) set out in a 'negative' list unless they can prove that their agricultural activities are significant or that farming is their principal agricultural activity.

Impact

566. The government has decided to set the threshold above which the active farmer test is applied at the maximum permissible level (€5,000). This will ensure that the likelihood of smaller farmers being inadvertently caught by the provisions is considerably reduced.
567. The government has also decided, following the consultation on the implementation of the CAP reform, not to add additional categories to the negative list. This will keep the administration of the negative list as simple as possible and avoid imposing additional administrative burdens on both farmers and the Rural Payments Agency.
568. Discussions continue on the remaining aspects of the provision and it remains the government's intention to minimise the impact of the provisions on farmers.
569. However, it is inevitable that some applicants for Direct Payments will be required to provide additional information about their businesses and their farming activities, and that there will be additional issues to be covered by inspections.

Recommendation 7.23: Who should be able to claim the SPS

Government Commitment 96: Defra will explore possible alternatives to entitlements and feed them into CAP reform negotiations.

Action

570. The government pressed for this but it was not possible to secure agreement, largely because the Commission believe entitlements are necessary to ensure compliance with World Trade Organisation agreements.

Impact

571. The Commission's position on entitlements has remained consistent. While the UK remains persuaded of the benefits that an alternate system could provide, the UK's delivery bodies are already geared up to an entitlements based system. There is therefore no impact to not securing agreement to moving away from an entitlements based system. Given an entitlements based system will be retained the government has confirmed its intention to roll over existing entitlements rather than generate a new allocation; this being a lower risk and more cost effective approach for the RPA to deliver the new CAP programme.

Recommendation 7.24: Who should be able to claim the SPS

Government Commitment 97: Defra will consider whether and how we could make SPS payments to commoners associations (or equivalents).

Action

572. This is being considered through discussions with stakeholders in fora such as the CAP Reform and Commons Working Group as Defra develops its plans for implementing the reformed CAP in 2015.

573. A final decision should be available later in 2014.

Impact

574. Defra officials are considering the impacts in the light of the Commission's draft detailed implementing rules on the allocation of direct payments to areas farmed in common.

575. Defra officials have also decided to equalise direct payments rates for the SDA outside of the moorland and the lowlands. They will make a decision on the moorland rate in the first half of 2014 after further modelling of the impact of the new CAP. An increase in the moorland rate could benefit commoners by significantly increasing direct payments on moorland commons.

Recommendation 7.25: Who should be able to claim the SPS

Government Commitment 98: Defra will continue to oppose the Commission's proposal to cap direct payments.

Action

576. Throughout negotiations the UK argued against a maximum or graduated cap, eventually conceding a mandatory reduction of at least 5% on the proportion of any claim over €150,000 in order to secure agreement on the entire CAP reform package by the European Parliament.

577. Following consultation, the government has decided that only this minimum level of reductions will be applied in England.

Impact

578. The UK conceded the minimum 5% cap in order to ensure European Parliament agreement on the wider CAP Reform package. Otherwise negotiations would have stalled and there was a real and high risk that the reform package would have been unpicked and remained unconcluded in time for implementation in 2015. This would

have created unacceptable levels of uncertainty and risk for English farmers and the delivery agency.

579. Information about the impact of the cap under various scenarios for implementation was included in the consultation documents. The Impact Assessment for 'CAP towards 2020' can be found [here](#).

Recommendation 7.26: Cross compliance

Government Commitment 99: Assess the cross compliance measures and argue for a more risk-based and proportionate control system in EU negotiations on CAP reform.

Action

580. During negotiations over the reform of the CAP, the UK argued strongly for a simplified and more proportionate cross compliance system to that which was proposed. This included submissions to the Council and European Parliament detailing proposed changes, particularly to the penalty system, and lobbying other Member States to support our ideas. Defra officials were successful in removing a proposed new, in our view highly burdensome, good agricultural and environmental condition (GAEC) requirement, however most of their simplification ideas did not gain traction. Defra officials made proposals for a more proportionate penalty system, which though sympathised with by some Member States, were also unsuccessful, in part due to opposing proposals put forward by other Member States.

581. Negotiations on the implementing legislation for the CAP are ongoing. Defra officials are actively engaging with the Commission and other Member States to negotiate a simplified and more proportionate approach to penalties and inspections.

582. Defra officials have also started to engage stakeholders, including industry representatives, regarding implementation of cross compliance from 2015.

Impact

583. The removal of certain SMRs from the EU legislation does mean a reduction in burden on farmers and RPA. However, a full assessment of the impact of changes in CAP reform cannot be assessed until negotiations are complete and decisions have been made on how to implement the new regime in 2015.

Recommendation 7.31: Inspections

Government Commitment 100: Consider how earned recognition can be introduced into all other cross compliance measures from 2013.

Action

584. In response to the Task Force report the government accepted the principle of earned recognition and committed to identifying opportunities for applying it to existing inspection regimes.
585. In the context of this work, earned recognition is finding ways to reduce the administrative burden of regulation on those who have a strong track record of reliability and adherence to standards.
586. Earned recognition factors, such as membership of an assurance scheme, can be used to work alongside other risk factors, such as site location or activity, to help make sure inspections are targeted to where they are most needed.
587. Factors allowing farmers to earn recognition will only be considered where there is a sound evidence base to do so. Defra officials have made it clear that food safety, environmental and animal welfare standards need to be maintained.
588. As set out in the [Earned Recognition Plan](#), published in August 2013, Defra officials have assessed all on-farm inspections to see where there is potential to incorporate an earned recognition approach, this assessment includes cross compliance inspections.
589. EU legislation requires the government to check a certain number of farmers who are claiming under the Single Payment Scheme and agri-environment schemes every year to make sure that they are following the rules of cross compliance. This is to protect public funds.
590. Under the rules of cross compliance, 1% of farmers claiming the single farm payment must be inspected. Of these inspections, 20% must be carried out randomly, therefore an earned recognition approach cannot be considered. However, 80% of these inspections are carried out on a risk basis where an earned recognition approach could be taken.
591. If a farm assurance scheme is to be included as a form of earned recognition in cross compliance inspections, it needs to meet two criteria:
- Its standards must meet the standards required by cross compliance, and;
 - There must be evidence to demonstrate that membership of the assurance scheme increases the likelihood of a farmer being compliant.
592. To explore whether or not it is possible to meet these criteria, in September 2012 Defra commissioned a research project, led by FERA with input from Red Tractor, Leaf Marque and the Soil Association, to build an evidence base on levels of regulatory compliance of assurance scheme members.
593. As a result of this evidence base earned recognition has been implemented for red Tractor assurance members against SMR 11 Food and Feed Law.

Impact

594. Farmers have the ability to earn recognition in 14 out of 31 inspection regimes.
595. Earned recognition is already included in a number of EU driven inspection regimes, including cross compliance inspections, through the incorporation of 'previous inspection result' in the risk criteria used to select premises for inspection. This is the case for:
- Risk-based cross compliance inspections;
 - Risk-based inspections on-farms with agri-environment agreements (e.g. Entry Level Stewardship, Higher Level Stewardship);
 - Sheep and goats identification inspections, and;
 - Cattle identification inspections.
596. Where farmers are inspected and found to meet the scheme rules, the risk of being selected for another risk-based inspection is reduced.
597. As reported in the government response to the Task Force report earned recognition has been incorporated into cross-compliance animal welfare inspections. As a result, in 2012 no farms covered by a farm assurance scheme were selected for an inspection as part of the 2012 risk-based selection.
598. An additional element of earned recognition against SMR 11 for Red Tractor assurance members will be included in the selection of premises for cross compliance inspections in 2014. This will have a limited impact on reducing the risk of Red Tractor farmers being selected for a cross compliance inspection.

Recommendation 7.34, 7.41, 7.43, 7.50 & 7.52: Enforcement

Government Commitment 101: Defra will review cross compliance measures in order to look at the opportunities available for making the inspection and enforcement more outcome-focused (where this can be done without compromising environmental outcomes or breaching EU law).

Defra will assess cross compliance conditions to make sure they are outcome focussed and not unnecessarily burdensome. Results of this assessment will be published in summer 2012.

Defra will also look at areas of cross compliance that have low underlying breach rates. Look at the underlying reasons for this and assess the likely impact of their removal. Where the presence of a standard in cross compliance is not necessary for compliance with EU law, and where it can be shown that the removal of the standard will not adversely affect outcomes, they will be removed.

Monitor all measures, including good agricultural and environmental condition (GAEC) requirements 12 and 11, as part of the review of cross compliance.

Action

599. The completed review recommended that most standards were already proportionate and outcome focussed (where this was possible). 75% of cross compliance measures are based on existing UK law, so Defra is limited by the current cross compliance rules. The review was not published as it was an internal exercise and was used to inform our position on CAP reform.
600. Defra is currently reviewing what GAEC standards will be implemented under the new CAP. The current GAEC 11 (control of weeds) is part of that review. Within the new CAP GAEC framework the requirement to avoid the 'encroachment of unwanted vegetation on agricultural land' has been removed, though a new, optional requirement to avoid invasive plant species has been introduced. Defra cannot confirm what GAEC requirements will be until any formal and informal consultation has concluded, it is likely that the injurious weeds element of Defra' GAEC implementation will be removed.
601. The review of GAEC and the consultation process will allow Defra to look at what farm-level rules are set for 2015 and beyond. Part of this review will be looking to ensure rules are outcome, rather than process, focussed. Defra will also as part of its policy making be looking at where there are unnecessary burdens.

Impact

602. The current review and consultation period is looking at the impacts of different options for cross compliance in 2015. A full impact assessment will be undertaken as part of this.

Recommendation 7.37: Guidance

Government Commitment 102: Defra intends to move cross compliance guidance to a fully digital format using online tools, tailored guides and innovative formats.

Action

603. The consolidated 2013 [Cross Compliance Handbook](#) was delivered as an online publication. However, to ensure that legal obligations were met a notice summarising the changes was also mailed out, a subsequent short booklet detailing further significant changes was then issued in July 2013.
604. [Cross compliance guidance for 2014](#) has been provided as a primarily online resource. To enable this switch in emphasis, wherever possible, farm business email addresses have been used as the primary means of contact. This enabled approximately 45,750 customers to be emailed a link to the online guidance, equating

to approximately 40% of the total cross compliance population. This represents a substantial move forward in digital delivery of guidance.

Impact

605. Providing the handbook online means that farmers have access to consolidated up-to date information, and communicating via email allows us to tell them about changes quickly. Services provided over the internet represent better value for money and help to reduce public spending.

Recommendation 7.38: Guidance

Government Commitment 103: The FAS (Farming Advice Service, which replaced the Cross Compliance Advice Programme) will provide joined-up advice on a number of topics including cross compliance, climate change, nutrient management and competitiveness.

Action

606. From 1 January 2012, the new Farming Advice Service (FAS) has succeeded the Cross Compliance Advice Programme. FAS now provides advice not only on cross compliance but also, in anticipation of the requirements of the upcoming CAP round, on climate change mitigation and adaptation, nutrient management and competitiveness.

607. From the autumn of 2012 at the unanimous request of its national Stakeholder Group, FAS has successfully provided a popular mechanism for the Regional co-ordination of advice via tri-annual meetings of all identified advice providers (e.g. FAS, CFE, CSF).

608. As part of the simplification of information being supplied to the industry by the government, led by the joint government/industry Farmer Information Group, the FAS Event alert system has been upgraded to alert Defra agencies and farming stakeholders to other upcoming Defra and Agency events.

Impact

609. In 2012, advice provided at FAS events was rated “good” or “very good” by 88% of all farmers and advisers who attended. In an independent telephone survey of 93 farmers taking FAS advice over half (56%) had already (43%) or intended to change their farming practice as a result.

Recommendation 7.46: Good Agricultural and Environment Condition (GAEC) 1

Government Commitment 104: Work with industry to explore the full range of options for the soil protection review (SPR10).

Action

610. Defra officials have worked closely with the industry to consider what changes could be made to the current SPR to make it more integrated, less burdensome, and more focussed on outcomes.
611. Alongside the development of new arrangements for implementing the GAECs on soils and carbon stock, the Environment Agency are developing accompanying guidance and this will continue to be user tested with stakeholders with the aim of making it as useful and relevant to farmers as possible.
612. 2014 is a transitional year and the current arrangements are remaining in place. This was to minimise the burdens of changes faced by farmers following the CAP reform process, and to also allow a managed transition with the rest of Cross Compliance under the new CAP scheme.
613. From 2015 onwards, Defra officials aim to implement a much more simplified set of arrangements for implementing the new cross compliance rules on soils which reduce burdens on farmers and focuses more on outcomes. The proposals are to introduce minimum standards in accordance with EU requirements, without the need for mandatory paper records. Defra is developing a toolkit for farmers to use for record keeping if they choose to do so, but the records will not be inspected. This will ensure that the focus is on improving outcomes for preventing soils erosion.

Impact

614. Defra officials are currently developing minimum standards and guidance, with a view to easing burdens on the industry. A cost benefits analysis is being developed.

Recommendation 7.57: Paperwork

Government Commitment 105: Continue to review crop codes each year and remove those that are no longer required.

Action

615. Codes are subject to annual review and the Rural Payments Agency (RPA) only collect data at a level which is justified by current or forecast requirements.

616. The greening provisions on crop diversification under the new Basic Payment Scheme will however require information on the crops being grown. Therefore additional crop codes may be required under the new Scheme. However, Defra officials will endeavour to ensure they are as few and as clear as possible, and developed in consultation with stakeholders.

Impact

617. Reducing the number of codes simplifies the administration for both farmer and delivery agency as well as simplifying monitoring, which with a large number of codes raises the risk of infraction by farmers (e.g. it can be hard to prove that seeds are in the ground or what crop has been harvested).

618. Increasing the number of crop codes under the new Basic Payments Scheme will be regrettable but unavoidable. It is not yet possible to assess the additional burden on farmers and the delivery agency.

Recommendation 7.58: Paperwork

Government Commitment 106: The Rural payments Agency (RPA) will set the default rotation of entitlements to minimise the chance of any entitlements expiring due to under usage.

Action

619. In 2012 the RPA changed the default order in which Single Payment Scheme (SPS) entitlements were activated to use those entitlements with the earliest expiry date first. This minimises the chance of any entitlements expiring due to under usage.

620. Defra officials will bear in mind this treatment of entitlements as they develop the IT solution for implementing the new Basic Payments Scheme.

Impact

621. Following the change, the Entitlements Declaration Form (SP11), previously used to change the order of activation of entitlements or tell RPA if entitlements were wrong is no longer necessary under the current SPS.

622. For the new Basic Payment Scheme Defra has decided to roll over existing entitlements. This means that the number of entitlements a farmer holds at 31 December 2014 will be the same as he will hold under the Basic Payment Scheme. (However if a farmer has any excess entitlements i.e. more entitlements than he has eligible hectares in 2015 it is required that they are removed). This decision gives farmers greater reassurance and certainty compared to a situation where entitlements were newly allocated and which would prompt farmers to e.g. sell or purchase entitlements prior to the new Scheme on lands currently not under production.

623. Under the EU rules for the new Basic Payment Scheme, farmers will not be allowed to rotate their entitlements to avoid them expiring under the usage rules. At least once every two years, a farmer must activate all his entitlements in a single year. Therefore this commitment is not relevant for the new scheme.

Recommendation 7.60: Paperwork

Government Commitment 107: Defra will consider opening applications in January as we develop our plans for implementing the reformed CAP in England.

Action

624. The programme plan Defra officials are working to will see the new IT solutions available for Basic Payment Scheme applications for scheme year 2015. However, the details of these schemes are to be confirmed during 2014.

625. Defra officials will consider this commitment as plans for implementing the reformed CAP in 2015 are developed.

Impact

626. A longer window would give farmers greater flexibility over when to prepare their applications and would allow agents to spread their workload. It is not possible to estimate whether this will save any money.

Recommendation 7.60: Paperwork

Government Commitment 108: The Rural Payments Agency (RPA) will look for all opportunities, with the assistance of farmer representative groups, to communicate clearly to farmers that submitting their application early in the year will not result in an increased risk of inspection.

Action

627. RPA engages with a number of farmer representative groups and has repeated this message again ahead of claims for SPS 2014.

Impact

628. Under European regulations the RPA may disperse CAP monies only once all applications have been received and processed, therefore in principle the earlier all the applications can be received and processed, the earlier they can be paid within the payment window.

Recommendation 7.62: Paperwork

Government Commitment 109: The Rural Payments Agency (RPA) will look at what improvements to current arrangements might be possible in regards to farmers allowing their details to be passed to other farmers in cases where dual claims have occurred.

Action

629. The RPA already shares information in certain circumstances, to enable farmers to resolve dual-claim conflicts. This is only done once a dual-claim situation has been identified and each farmer has confirmed he has not made a simple error in including the parcel in their claim.

Impact

630. Details on the numbers of dual-claims that benefit from this approach are not readily available, since these cases are resolved manually.

Recommendation 7.64: Errors and appeals

Government Commitment 110: The Rural Payments Agency (RPA) is currently reviewing and improving the RPA complaint and appeals process. We will consider fixed-date replies during the design of the end-to-end process which will happen in the first half of 2012.

Action

631. A new appeals process has been introduced and is subject to ongoing improvement and discussion with stakeholders. Broadly, the RPA now aims to resolve the complaint within 15 working days. If this is not possible, the person dealing with the complaint will identify what action is required and contact the farmer to agree a plan to resolve it, which may include passing it on for further consideration.

Impact

632. The number of stages in the appeals process has been reduced from three to two and the general feedback from stakeholders is good.

633. There has been no formal surveying by RPA of individual farmers' reactions to the new process except in the quarterly customer satisfaction survey but the number of responses so far is not statistically meaningful. Customer Relations are considering cost-efficient methods of obtaining feedback about the appeals process.

634. Defra officials have received positive informal feedback from some farmers who have participated in the process.

Recommendation 7.65: Permanent Pasture

Government Commitment 111: As part of the negotiations on the reform of the CAP we are arguing for a system of controls on permanent pasture that conserve areas of environmental value but do not place an unnecessary burden on farmers. This includes looking at how we differentiate high and low value permanent pasture.

Action

635. The Direct Payment Regulations require Member States to designate environmentally valuable permanent grassland within areas already designated under the Habitats and Birds Directives, where these grasslands need strict control. A no-plough rule would be imposed on these grasslands.
636. In addition Member States may opt to designate further valuable grasslands outside of the Natura 2000 sites and impose a no-plough requirement.
637. Defra is currently exploring with stakeholders the issues surrounding the use/non-use of the designations.

Impact

638. It is not clear-cut that either of these levels of designation would provide additional levels of protection to valuable grasslands, either within or without designated Natura 2000 sites, given the existing measures that are already in place. Designation under the greening rules would only provide protection from ploughing, which is already prohibited in Natura 2000 sites, and is only one of the threats to valuable grassland elsewhere.
639. It is not yet clear where the balance should be struck between the incomplete benefits of the measure and the costs and inconvenience new restrictions would entail.

Chapter Eight: Farmed animals

Recommendation 8.14: E-reporting of livestock movements

Government Commitment 112: Defra will consider implementing electronic reporting for sheep, goats and deer.

Action

640. South Western Business Processes have been selected to deliver the necessary database. Defra officials are working with them and with stakeholders to develop this.
641. The proposed new Animal Health Regulation provides an opportunity to review whether there is scope for a single multi-species livestock database. This would be some way in the future (around 2018) but preparatory work is underway to determine whether such an arrangement is practical.
642. Defra secured a delay to the individual movement recording requirement for older sheep (those born before 31 December 2009) until 31 December 2014. Without this delay farmers would have had to either visually collect and record the sheep's tag number on movement documents or retrospectively identify them with electronic tags. This would have cost the industry between £4 and £11.5 million over the three years.

Impact

643. Electronic reporting for sheep (and goats) will be phased in from April 2014. It will be mandatory for markets and abattoirs, which account for around 70% of the total sheep/goat movements, to report movements electronically but keepers will continue to have the choice to submit movements by paper. E-reporting will deliver savings to the farming industry of around £71,000 per year resulting from a reduction in time taken to complete movement forms and savings in postage. It will also deliver quicker more accurate movement data which in a disease outbreak will enable the government to respond quicker which could reduce the duration of an outbreak and its associated costs.
644. An e-reporting service for the movement of pigs was phased in from 1 October 2011. Over 92% of pig movements are now being reported electronically.

Implementation Group Assessment

The increased rollout of electronic reporting is a good thing for the farming industry. It improves the quality and timeliness of information, which is essential for simplifying standstill requirements, and provides an invaluable evidence base during a disease outbreak.

During rollout of electronic reporting we urge Defra and key industry organisations to monitor any cost changes to individual farmers.

Recommendations 8.16, 8.17 & 8.18: Simplification and the six day standstill

Government Commitment 113: Defra will carry out detailed risk and cost assessments that are needed to support implementation of the recommendations on electronic information and reporting, simplification of movement controls, including the 6 day standstill and enforcement.

Action

645. The Secretary of State has announced:

- From 2016, the introduction of a generic 10 mile rule for County Parish Holding (CPH) allocation across farmed species, alongside a new solution for dealing with land being used for temporary grazing within 10 miles of the home holding;
- From 2017, the abolition of all Cattle Tracing System (CTS) Links and Sole Occupancy Authority (SOAs) licences; and
- In 2018, a full review of existing whole farm standstill arrangements in England once the much needed simplification of the livestock movements' landscape has been completed.

646. Despite wanting to move more quickly on CPH reform the changes will be rolled out over a two year period beginning in 2016 so as not to jeopardise the successful delivery of CAP reform in 2015.

Impact

647. Key differences between the current sheep and cattle/pig regimes will be removed by aligning the CPH allocation rules and providing flexibility to manage land used for temporary grazing within 10 miles of a farmers permanent CPH (holding).

648. The complex rules for linking livestock premises (via SOAs and CTS links) which mask both legitimate and illegal animal movements resulting in significant disease risks will be removed.
649. The increased burden of reporting movements and observing standstills when CTS links and SOAs are removed will be largely mitigated by the solution for land used for temporary grazing, which will avoid the need to record and report movements to land parcels within 10 miles of the main CPH.
650. The proposed changes to the CPH landscape will reduce the impacts of standstill as it will reduce the number of livestock movements that must be reported with an associated reduction in the number of holdings subject to standstill.

Implementation Group Assessment

This is a good move for industry trading, disease risk and control and it is therefore important that these changes are implemented as soon as possible.

We welcome the firm commitment and route map to deliver the much needed changes to the way CPHs are defined and allocated during 2016/17 and a subsequent full review of standstill requirements in the light of these changes.

Recommendation 8.32: Bovine TB

Government Commitment 114: The TB Eradication Group (TBEG) will consider options for a system of communicating test history and status of cattle. Work jointly and engage with industry stakeholders to develop options for risk-based/informed trading during 2012 with a view to introducing changes by the end of the year.

Action

651. In 2012, Defra set up an industry led Risk-Based Trading Group (RBTG) to develop practical solutions for risk-based trading. Subsequently, they also established a Defra-led project board to oversee work taking place under this commitment.
652. Defra has demonstrated their commitment to working closely with industry on this issue. The project board responsible for implementing the RBTG recommendations is chaired by Defra and contains a number of representatives from different parts of the farming industry. It is also a joint England-Wales implementation project. Defra is working closely with the farming industry to develop a joint solution.
653. As part of the work of the RBTG a short research project was commissioned in 2012 to consider farmer attitudes to and awareness of risk-based trading. It provided

some good baseline data from which to draw comparisons once the voluntary risk-based trading scheme (set out in the next section) has been embedded and a similar project commissioned.

654. In autumn 2013 voluntary risk-based trading commenced in breeding markets in England. Defra worked with the livestock auctioneers, farming industry and the veterinary profession to introduce an approach whereby those selling cattle are required to give information about disease history. This is voluntary and there is no obligation for auctioneers and others to take it up, but Defra is encouraging take-up where possible.

655. Defra published guidance that highlighted the importance of finding out the disease history of cattle when buying aimed at those trading privately.

Impact

656. As reported by the original Task Force, improving communication of disease history could lead to less risky trade and a strengthening of a farmer's responsibility for outcomes with minimal additional burdens. Defra will closely monitor the impacts of the autumn 2013 roll out and consider if statutory measures are necessary, dependant on take up of the voluntary risk-based trading approach.

Implementation Group Assessment

The Defra team have listened to industry and developed an option which currently avoids regulation but hopes to increase communication of disease test history amongst traders.

For the voluntary approach to work, the farming industry needs to take some responsibility for managing their disease risks.

Recommendation 8.33: Bovine TB

Government Commitment 115: The TB Eradication Group (TBEG) will include non-bovine species in the comprehensive TB eradication programme, and develop/adopt measures proportionate to the risk.

Action

657. The 2011 TB Programme included non-bovine species as part of the comprehensive eradication programme and that has been repeated in the draft Strategy launched in July 2013:

"The government's response to M bovis infection in non-bovine species will be evidence driven and proportionate to the risk, in order to target efforts in areas where risk management will make a real impact on bTB."

658. Defra:

- Has raised awareness of the signs of TB among abattoir meat inspectors and private vets undertaking post mortems in farmed animals;
- Has worked with breed trade associations to raise keeper awareness to the risks of TB in their flock or herd and measures to improve bio-security (this work is ongoing), and;
- Is reviewing the current policy of movement restrictions for TB in all non-bovine species (this work is ongoing).

659. Defra plans to consult in spring 2014 on a proportionate approach to TB in non-bovine animals as part of a wider TB Strategy consultation. Also, as part of the Red Tape Challenge, Defra aims to consolidate all TB Deer Regulations into a single set of regulations as a way of reducing burdens on business.

Impact

660. Early indications from the impact assessment show that the benefits of simpler TB breakdown regulation for farmers with non-bovine animals reach around £330 per year. Over a ten year period (2014-2023), this implies present benefits to businesses of around £2,800.

Implementation Group Assessment

We are glad to see that as recommended by the original Task Force, Defra has included non-bovine species in the comprehensive TB eradication programme.

Recommendation 8.39: Welfare of animals at slaughter

Government Commitment 116: Defra will develop new arrangements in regards to the Certificate of Competence and Ofqual accreditation. New arrangements should be implemented during 2012 and further guidance and advice on how to obtain a Certificate of Competence will be available before the new welfare at slaughter rules come into effect in January 2013

Action

661. A new EU welfare at slaughter regulation, EU Regulation 1099/2009, came into effect on 1 January 2013. This requires Certificates of Competence (CoC) for those who are involved in killing or related operations in a slaughterhouse.

662. In England, Welfare of Animals at the Time of Killing (WATOK) Regulations are due to be made in April 2014. Under these regulations, those persons who slaughter animals on-farm will either have to have an existing slaughter licence; or obtain a licence; or work in the presence of, and under the direct supervision of a veterinary surgeon, or someone with a CoC or licence. To obtain a licence under the WATOK regulations, a person must be assessed by an authorised veterinary surgeon.

Impact

663. Existing national rules will be carried forward into the new Welfare of Animals at Time of Killing Regulations in England. As there are licensing measures in the existing legislation there is no additional impact for on-farm slaughter.

Implementation Group Assessment

As stated in the original Task Force report, it is essential for animal welfare that anyone who kills animals regularly in the course of their business should be competent to do so and should hold a slaughterman's licence.

The Certificate of Competence is necessary and it is a positive move that existing rules will be carried forward into the new Welfare of Animals at Time of Killing Regulations in England so as to maintain standards whilst avoiding adding additional burdens for farmers.

Recommendation 8.40: Welfare of animals at slaughter

Government Commitment 117: The welfare implications of the proposed new gas mixtures for poultry slaughter are being considered further by the department before a final decision is made on whether to amend the current legislation to allow the use of such mixtures.

Action

664. Regulations permitting the use of carbon dioxide gas mixtures to kill poultry came into effect in England in April 2012.

Impact

665. A switch to gas stunning removes the need for live shackling and inversion, reducing the incidence of missed stuns and improving welfare. Allowing use of these gas mixtures is expected to deliver a significant net benefit to business: around £26.9 million over ten years.

Implementation Group Assessment

We commend the approach taken here where the impact has a noticeable impact on both improving the welfare of animals and reducing costs for businesses. This is an excellent outcome for improved regulation.

Recommendation 8.42: Welfare of animals during transport

Government Commitment 118: Animal Health and Veterinary Laboratories Agency (AHVLA) aim to issue Export Health Certification 3-5 days before the export date to the Official Veterinarian to sign on AHVLA's behalf.

Funding has been requested to develop a replacement for AHVLAs Centaur and Unicorn systems in 2012/13 to provide an online self-service portal for applications and guidance so exporters will be able to request clearances via a single application process.

Action

666. The intention is to improve the processes for businesses who apply for export health certificates and is more comprehensive than the commitment stated above.

667. The rollout of a new and enhanced process for the issuing of export health certificates to industry began during the middle of February 2014. This will allow exporters to apply electronically for export certification 24 hours per day, and provide the ability to issue certificates, when required urgently, within 24 hours of receipt of a correctly completed application. The new and more efficient processes are being implemented ahead of industry expectations.

668. An outline of the proposal was shared with, and agreed, by Defra ministers and the Animal Health and Welfare Board for England (AHWBE). Industry leaders (exporters) are also supportive of these plans and were consulted during the development stage. Further stakeholder engagement took place in January 2014 and there has been continuing support for the development. Early indications, since the rollout began, suggest that the new processes are working well and initial feedback from industry has been extremely positive.

669. A phased approach, initially focusing on the certificates that represent the top 80% of the total volume issues to industry, will be taken to ensure that the rollout gives priority to those exporters who require a faster turnaround time.

670. This solution builds on the successful process currently in use for the new and emerging markets such as China and Russia.

671. As this process is quicker and more efficient than the existing process, the charges to industry for the provision of these certificates will be lower. Charging for export health certification will be dependent on the bringing into force of the new Statutory Instrument.

Impact

672. As a result of the new processes, exporters will be able to respond more quickly to new market opportunities. This in turn will help enable growth in exports from GB.

673. There will also be improved turnaround times for the issuing of export health certificates to certifying veterinarians. However, this will be dependent on the amount of notice the exporter provides in advance of the expected date of export.

674. There will be little or no impact of these changes on the farming community as they rarely export to third countries. The benefits will be realised by other Agricultural related industries.

Implementation Group Assessment

Reducing process and paperwork burdens is central to better regulation having a noticeable impact on the ground. The moves taken to implement new processes enabling exporters to respond more quickly to new market opportunities is not only good news for the individual exporters, but good news for the UK exports market.

Recommendation 8.44: Fallen stock / disposal / on-farm burial

Government Commitment 119: Defra will review the evidence of alternatives for disposing of fallen stock to see if it can support a case for seeking changes to the current EU controls.

Action

675. As part of Defra's response Defra officials have started to look again at the evidence on the scientific basis for maintaining the burial ban, and have been supporting research into novel containment methods for fallen sheep, such as the use of bio-reducers.

676. However, given the current state of play with negotiating changes to TSE controls more widely in Brussels, it is becoming clear that even against a background of declining TSEs, changes to relax controls on burial of cattle and sheep are unlikely to be negotiable. The Commission has a “TSE roadmap” which sets out a stepwise approach to relaxing TSE controls on the basis of scientific evidence concerning the risks. A relaxation of the burial ban is not part of that roadmap, and other controls, for example regarding removal of specified risk material from sheep carcasses in abattoirs, remain in place pending further EFSA Opinions.
677. On alternative systems, in June 2013 Defra submitted a dossier to the European Food Safety Authority (EFSA), prepared by Bangor University following research part funded by the Welsh government and HCC on the use of bio-reducers. This has recently been given a negative Opinion by EFSA (December 2013), which said that ‘The proposed Bio-reduction method cannot be considered as a safe alternative method for on-farm containment of animal by-products’.
678. Defra officials are still considering the implications of this Opinion, but given this response, the continuing TSE related controls on sheep, and the previously expressed view of EFSA that the burial of animals poses a significant risk to animal and public health, there seems little prospect for change within the EU in the short term on rules governing disposal of fallen stock.
679. Defra is also supporting research into potential use of anaerobic digestion for disposal of fallen pigs. This may eventually result in a submission to the EFSA. However, the use of digestate on land from such a process is unlikely to be acceptable to the EFSA as temperatures inside an anaerobic digester are too low to reliably kill all pathogens. Even if this option is accepted, implementation is not likely before 2016 due to the lengthy EFSA approval and EU regulatory process.
680. Considering these developments, officials have consulted the Defra Food and Farming Minister about whether it was worthwhile seeking changes to EU controls on disposal of fallen stock in the short term. The Minister whilst noting that scrapie in sheep, which was one of the justifications for the ban, is now less of a public health concern, has accepted that the EU is unlikely to take this forward at the current time particularly given that other Member States do not share the UK position. However, if in future EFSA were to consider TSE controls more broadly that would be an opportunity for Defra officials to press the case for a review of the ban. Defra officials will keep farmers and their representative bodies informed about any progress. The Animal Health & Welfare Board for England has also been consulted on this approach and is content.

Impact

681. Defra has taken some initial steps to assess the likely public and animal health impact, and the wider implications of lifting the ban. However, future progress on this issue will continue to be on a long time frame, as any change to UK policy would need to be accepted on a scientific level by EFSA and then negotiated at EU level. This requires changes to be agreed by the European Council and Parliament to the EU animal by-products regulation which bans the routine burial of fallen stock.

Implementation Group Assessment

Defra should continue to push for farmers to have more options for disposing of fallen stock in a safe manner. We can see that this work is going in the right direction. Whilst we recognise the time constraints of working to negotiate regulatory change in the EU, we would like to see this agenda move forward with pace.

Recommendation 8.48: Farm veterinary medicines records

Government Commitment 120: The Veterinary Medicines Directorate (VMD) will continue to pursue simplification of record keeping as part of the revision of the Directive on Veterinary Medicines (Directive 2001/82). VMD has asked the Commission to consider that only those records which are necessary for consumer safety and, on a proportionate basis, for animal safety should be kept and retained. The review is expected to be completed in 2014 and VMD will work closely with farming and veterinary sectors to obtain changes that provide necessary safeguards and reduce burdens.

Action

682. The VMD has asked the Commission to consider that only those records which are necessary for consumer safety and, on a proportionate basis for animal safety should be retained.

683. The VMD are waiting for the proposals for the revised Veterinary Medicines Directive to see if these asks have been taken into consideration. They are expected in the first half of 2014. Negotiations with the Commission will begin when the proposals for the revision have been received and Defra officials know what the proposed changes to the Directive are.

684. The anticipated date of completion of the revision of the Directive is unknown, as there have been many delays in the expected date of receipt of the proposals, but it will be in late 2015 at the earliest and possibly 2016. During the negotiation phase, the VMD will work closely with farming and veterinary sectors if necessary to obtain changes that provide necessary safeguards and reduce burdens.

Impact

685. The impact is unknown until the revised Veterinary Medicines Directive is received (expected later in 2014).

Implementation Group Assessment

Clearly this is still work in progress but we recognise the positive steps taken by the VMD to seek to reduce record keeping burdens by pushing for a more proportionate and risk-based approach.

Chapter Nine: Growing and crops

Recommendation 9.16: EU fruit and producer organisation scheme

Government Commitment 121: The department will engage Producer Organisations at the earliest stage when problems occur.

Action

686. An Experts Group consisting of the RPA, Defra officials and industry representatives was re-established in 2012. This allows producer organisations to become engaged in problems as they occur. The group discusses day-to-day scheme matters as well as wider issues such as CAP reform and the EU Fruit and Vegetables regime.

Impact

687. Issues arising are fed into the Experts Group meetings which are held quarterly. These meetings act as a forum for discussion and feedback and explore opportunities to improve scheme administration and compliance.

Implementation Group Assessment

The amount of red tape with the Producer Organisation scheme does jeopardize it as it adds a lot of cost to the business which effectively erodes the grant.

Whilst this is still a heavily regulated and cumbersome area, we are pleased that Defra recognises that it needs to work closely with industry, through the Producer Organisation Experts Group, to find ways to reduce the burdens.

Confidence in the scheme will be driven by a collaborative and pragmatic approach from the RPA; if this cannot be achieved then the scheme will not see any growth in horticulture or any other sector as they need to see positives set by the horticulture sector.

Feedback from a member of the Experts Group shows that it has made a difference, and that the RPA in particular has improved how it works with Producer Organisations. It is important that the RPA continue to liaise with other member states to seek clarity and a common approach especially in relation to EU auditing.

Recommendations 9.17: EU fruit and producer organisation scheme

Government Commitment 122: Defra will continue to engage with EU auditors about the challenges the legislation presents and work with other Member States to lobby for improvements to make things easier.

Action

688. The UK has been working closely with the farming industry and other Member States to lobby for improvements to the Producer Organisation regime.
689. The UK hosted a conference on the Fruit and Vegetable Producer Organisation Scheme in Newcastle in September 2012. 14 Member States attended and agreed a way forward. The Commission now refers to this grouping and its work as the Newcastle Group. The Group meets monthly in advance of Management Committee meetings in Brussels, where the UK has been the informal chair, and held a second conference in The Hague in September 2013. In addition, led by the UK, the group has met with the Commission to raise issues and present its case.
690. Separately, the European Parliament commissioned a report on the “Future of Horticulture” for which Lord de Mauley met with the Rapporteur and Defra provided background information and suggestions for the report. This report was published in

draft form in September 2013 and accepted by the MEP ComAgri Committee in January 2014. It was voted on in the plenary on 11 March 2014. Now it has been accepted, the Commission is required to take notice of it and Defra looks forward to receiving the Commission's response. The report makes practical suggestions for improving the scheme. In 2013, in response to the UK and fellow Member States' lobbying for clarification and simplification, the Commission tabled amendments to the regulation, due to the new Common Agricultural Policy legislation; these changes are expected to be agreed in 2014 as part of the review of the Fruit and Vegetable regime. The change should provide some clarification and simplification of the scheme, which should reduce the burden on producer organisations.

Impact

691. The Scheme's aims are to consolidate supply and support growers in becoming more efficient in an environmentally friendly way. The amended regulation spells out more precisely what is required of producer organisations to meet recognition criteria. These changes are mostly technical but include rules on democratic control, outsourcing, marketing and suspension. In the past, the lack of clarity has resulted in litigation in the UK and EU courts. This takes time and impacts on the credibility of the scheme. Also, the EU auditors have, on occasion, taken a different interpretation of the regulations to those of Member States.

Implementation Group Assessment

We are pleased to see that progress has been made to the way Producer Organisation schemes operate. There is now much more horizontal and vertical integration within the supply chain

Recommendation 9.18: EU fruit and producer organisation scheme

Government Commitment 123: Work to ensure Common Agricultural Policy (CAP) reform plans reflect the need for clarity and simplicity based on experiences of administering the PO scheme.

Action

692. The EU Commission is now investigating the idea of a recast of the fruit and vegetable scheme starting in 2014. Once the Common Market Organisation regulation is finally agreed as part of CAP reform, this is likely to be discussed.

693. In September, the MEP draft report on “the Future of Horticulture” was published. It was voted on in plenary and agreed on 11 March 2014, following this it will now form the basis of the recast Fruit and Vegetable scheme.

Impact

694. The Common Market Organisation regulation, which was published in December 2013 provides opportunities for new Producer Organisations to be established in all sectors; however they will receive no EU funding. Common Market Organisation Regulation provides some additional clarity as it must meet the needs of many different sectors.

695. These changes should give farmers more confidence in the PO scheme. The changes should help EU Member States governments administer it more effectively with less risk of disallowance.

Recommendation 9.25: Pesticides

Government Commitment 124: Defra will include a 5 year review clause (or similar) in the legislation to implement the EU Directive on the Sustainable use of Pesticides.

Action

696. Legislation transposing the Sustainable Use Directive was laid on 27 June and came into force 18 July 2012. The legislation contains a five-year review clause meaning that there will be a review in 2017.

Impact

697. Any impacts, unintended or otherwise can be taken into account when the Directive is reviewed in 2017.

Implementation Group Assessment

Defra has agreed to go one step beyond what was required in the regulation, which is very good. The interaction with CRD and industry on this Directive is also to be commended and it is encouraging that voluntary approaches are welcomed in the first instance as a demonstration of compliance for the delivery of the outcomes of the regulations.

Recommendation 9.26: Pesticides

Government Commitment 125: Continue to press the message for the move away from a hazard-based approach, and work to limit the impacts of the hazard-based elements of existing legislation.

Action

698. The government continues to take opportunities to press this point in EU fora. The recent support provided by the report of the Business Taskforce “Cut EU Red Tape” is helpful. However, given that the European Parliament and most Member States favour a hazard-based approach, it is unlikely that UK objectives will be secured in the short-to-medium term.
699. A contractor has undertaken a project on behalf of the government, to look at opportunities to simplify EU Regulation 1107/2009 which governs the authorisation and marketing of plant protection products. The project will provide background evidence for a partial review of the Regulation which the European Commission is required to undertake during 2014. Among the proposals made are ideas to help move away from the hazard-based approach.
700. The government has published two impact assessments which consider the possible effects on pesticide availability of EU proposals for defining endocrine disrupters and the agronomic and economic effects of withdrawing those identified as endocrine disrupters. They have presented these to the Commission and other Member States to provide background for an impact assessment that the Commission is undertaking as part of its development of new regulatory provisions. This supports the UK’s call for a proportionate, evidence-based approach to regulating these chemicals and to influence the policy thinking of other Member States.

Impact

701. The hazard-based approach will result in the withdrawal of certain active substances because of their intrinsic properties, even though they may not pose unacceptable risks in use. Some of these substances provide important tools for plant protection. Their withdrawal will make pest management more difficult and may lead to significant reductions in crop yield. Regulating on the basis of risk would enable substances which can be used safely to remain available for plant protection, yielding savings estimated in the simplification report at €425-820 million annually throughout the EU.

Implementation Group Assessment

The European Commission's adoption of a hazard based approach (such as that of endocrine disruption) is deeply concerning, as we believe it goes against the principles of better regulation and robust science, and threatens to undermine agro-chemical company investment in products suited to the EU market place. We are pleased that the UK government continues to press this view in the EU and urge the government and industry to engage in joint lobbying with the aim of returning to risk-based regulation of new pesticides.

Recommendation 9.31: Approvals

Government Commitment 126: Consider ways in which other Member States' approvals can be recognised in the UK (as an interim measure before a zonal approach is implemented).

Action

702. Defra ministers have agreed a broad approach to recognising other Member States' authorisations without jeopardising the safety of people and protection of the environment. Priority options have been identified and are being actively pursued in a ten-project programme of work. Schemes to automatically recognise assessments of the risks to birds and mammals undertaken by other Member States for minor crops, and 'replant restrictions' (similar to those operated elsewhere in the EU) which prevent harmful residues in follow-on crops have been introduced. The government has also consulted on a new scheme to allow the use of low drift nozzles to reduce certain buffer zones required to protect water from spray drift. This scheme was introduced [in February](#). These schemes will bring the UK closer to the approach used in other Member States.

703. More information on these schemes and the UK's other work to promote harmonisation in the EU can be found [here](#).

704. The government continues to be prominent in the EU's development of a zonal approach, including chairing an expert group on behalf of the European Commission.

Impact

705. More harmonised approaches will help level the playing field in product availability, improving access for users to important plant protection products and reducing costs for manufacturers.

706. Manufacturers will benefit from reduced fees (if all countries in the Central zone had the same fee structure as the UK, the saving for a zonal application across all 13 countries would be about £35,000 or 25%). They may need to produce slightly less scientific data and will save money in constructing the applications in 13 countries.

707. It is hard to compare product availability between EU countries. At present around 400 active substances are authorised in at least one Member State. Of these, about 70% are authorised in the UK. However, each active substance will have a different range of uses in each authorising country. This pattern of authorisations reflects commercial decisions – whether a company has applied for authorisation - as well as regulatory ones. Full details of active substance approval status can be found on the [EU Pesticides database](#). This includes details of which substances are authorised in which Member State.

Implementation Group Assessment

This more joined up approach is promising, however, we are unsure as to whether or not it is having an impact on increasing access to markets in quicker timescales.

Recommendation 9.34: Approvals

Government Commitment 127: The approvals process needs to be as swift and consistent as possible. We continue to work with Member States, EU agencies and institutions, to simplify and speed up processes.

Action

708. Work is in progress with other Member States and the Commission to agree guidance on new operating procedures. Guidance has been adopted covering new arrangements for zonal evaluation and mutual recognition under Regulation (EC) No. 1107/2009 and to streamline procedures further by specifying areas of the evaluation which Member States need not submit for commenting by others.

709. The Commission has published [guidance](#) on mutual recognition and zonal harmonisation. This guidance was developed by the ‘Post-Approvals Issues Group’ which is made up of the EU Member States and Commission and chaired by the UK. The main purpose of the group is to develop technical guidance to make the regulatory process work as efficiently as possible.

710. The zonal authorisation process is subject to strict deadlines outlined in Regulation 1107/2009, which was implemented in June 2011. These deadlines allow one year for the assessment of a zonal application (plus up to six months if there are issues which

need to be clarified by the applicant); and 120 days for subsequent applications to other Member States. Wherever possible, the UK works to shorter deadlines than defined in the legislation.

Impact

711. These arrangements help to facilitate the processing of applications for authorisation of plant protection products, reducing processing times and speeding access to market of new products and uses, and facilitating the mutual recognition of products which are authorised in other Member States. They help to level the playing field in product availability and reduce registration costs for manufacturers.

712. The zonal approach is already in progress but is at an early stage. Since June 2011, the central zone (comprising 13 Member States, including the UK) has received approximately 600 applications/notifications for zonal assessment. The UK is the lead member State for around 180 of those. The first of these applications have now been completed.

Implementation Group Assessment

We believe this is a positive move.

Recommendation 9.35: Approvals

Government Commitment 128: Defra will review its approach to bio-pesticides so we get the right balance between legal requirements, risk assessment, general government policy on regulation and cost recovery within the authorisations system.

Action

713. The government has reviewed the approach to biopesticides and introduced an improved package of advice and lower fees for applicants within the overall policy of securing cost recovery within the authorisation system.

714. The government has also pressed the Commission to bring forward clearer guidance for applicants for biopesticides (which are based on plant extracts). Details of this support can be found [here](#).

715. Whilst supporting the biopesticide industry in this way the government has also challenged them to improve the quality of their applications in order to enhance the efficiency of the evaluation process and to increase their chances of securing authorisations.

Impact

716. These measures will encourage biopesticide manufacturers to apply for authorisation in the UK and improve the efficiency of the evaluation process increasing the range of products available to growers.

Implementation Group Assessment

Good progress has been made in order to expedite the development, commercialisation and adoption of biological controls. We hope this progress results in an increased range of UK products available to growers.

Recommendation 9.37: Withdrawals

Government Commitment 129: Continue to highlight problems that relate to grace periods as they occur.

Action

717. [Regulatory Update 32/2011](#) announced changes to UK withdrawal procedures which the government considered necessary in order to comply with Regulation (EC) No 1107/2009. However, since then, the government has obtained clarification from the European Commission on Articles 45 and 46 of the Regulation and have reviewed its approach in light of apparent difficulties these withdrawal periods are causing within the supply chain. The government has concluded that it can be more flexible in its approach to periods of grace following a withdrawal than set out in Regulatory Update 32/2011. When withdrawals arise from EU requirements or safety concerns, the standard EU period of 18 months must continue to apply. However, authorisation holders and farmers can now benefit from extended periods of 4 years in total when withdrawals arise for commercial or other non-safety reasons. Details of these new arrangements were published in [Regulatory Update 13/2012](#).

Impact

718. Subject to the overriding requirements of EU legislation, these measures enable manufacturers to clear withdrawn products through the supply chain and users to complete plant protection programmes. They reduce or eliminate the need to return products for disposal.

Implementation Group Assessment

The extension of withdrawal periods of up to four years where the withdrawal is taking place for commercial or other non-safety reasons is good news. This is a significant grace period which reduces burdens on growers by allowing them to use their stock of pesticides following withdrawal, rather than incurring the expense of disposal.

Recommendation 9.40: Pesticides use and harmonisation with worker exposure

Government Commitment 130: Defra will work with industry to investigate how industry can provide information on work practices and clothing to reduce potential contact with treated crops.

Action

719. The government has undertaken a survey looking at the wearing of non-PPE (Personal Protective Equipment) grade gloves by workers in various situations, such as entering a treated crop; a factor which is not currently considered as a mitigation measure in UK risk assessments. The project has drawn on surveys of user habits plus research into protection factors, to consider if a requirement for gloves might be used as a mitigation factor in the future. A report of the research and development work is being finalised for peer review and the results of the study are being considered with a view to seeing whether a protection factor can be assigned to particular types of glove.
720. The results will be drawn together to consider whether it is possible to develop proposals for a harmonised approach in this area. The study appears to provide some support for the use of a generic protection factor for non-CE standard waterproof gloves where these are likely to be worn. The Advisory Committee on Pesticides and the government will be consulted over the interpretation of these data and the circumstances in which use of this risk mitigation factor would be applicable. This is not straightforward because the data show both protection levels and worker practices vary significantly, with the latter depending on the crop and nature of the task involved.
721. The original Task Force report also recommended support for the development of new guidance by the European Food Safety Authority (EFSA), which aims to harmonise exposure assessment methods. As reported in the government response to the Task Force, Defra officials helped EFSA to develop new guidance endorsed by the Commission and Member States. A draft was published in February 2010 but has never been finalised. However, EFSA are currently revising the guidance, and a consultation draft is expected during 2014. It is anticipated this will incorporate the new

operator exposure model known as AOEM (Agriculture Operator Exposure Model), which replaces the UK and German models with a single model for use in all member States. It should also reflect the recommendations from the UK's BRAWG report relating to the bystander and resident exposure assessment. Depending on the outcome of the consultation, the revised guidance should be in place for use by the end of 2014.

722. The government response also outlined work on other initiatives to improve harmonised databases and models which underpin exposure assessment. These include the EU BROWSE project (expected to be completed in the next couple of years) and, on a shorter time scale, a German initiative to provide an interim update to the operator exposure database. Progress has been made in the development of exposure models and the Chemicals Regulation Directorate (CRD) has recently provided feedback on the latest versions. The contract has been extended until June 2014; CRD's view is that the project is likely to allow improvements to be made to future revisions of the EFSA exposure guidance. Acceptance and use of the EFSA guidance document and associated modelling tool represent the most immediate beneficial impact on harmonisation of the risk assessment.

Impact

723. The greatest impact on harmonisation both in terms of creating a 'level playing field' and making the regulatory process more efficient will come from the finalisation and agreement of the EFSA guidance document.

724. If it is possible to assign a protection factor to non-PPE gloves, the result may be that certain products can be authorised for use in situations where currently the risk assessment does not permit it, thereby increasing the range of products available to growers. It is most likely to help in minor use situations where other options have been exhausted and the use of gloves is considered a practical and realistic option.

Implementation Group Assessment

We are supportive of the approach Defra has taken to gather more evidence to make exposure assessments more realistic and potentially flexible by allowing for reductions in exposure while ensuring the health of workers is protected.

As reported by Defra in their original response to the Task Force report, we commend their efforts to seek an increasingly harmonised approach to worker exposure across the EU.

Recommendation 9.44: Pesticides

Government Commitment 131: Defra will ask the Pesticides Forum to look at the idea of a central register for datasheets for pesticides.

Action

725. Further discussions were held on this recommendation at the June 2013 Pesticides Forum meeting. The Pesticides Forum brings together a range of organisations with an interest in the responsible use of pesticides. The Forum advised that, as there are already public databases containing Safety Data Sheets (SDSs), there would be no benefit in duplicating the information. Also, SDSs are required to be available on the manufacturer's website. As a result of the discussions CRD wrote to training providers to request that training courses highlight the sources of this information.

726. This recommendation relates to the duties of employers to carry out a risk assessment under COSHH. In doing so, employers should include consideration of health effects including information contained in any relevant SDS. Having the access to SDSs online clearly aids ready access to the relevant information. HSE provides [guidance](#) on meeting the requirements of COSHH including how a risk assessment should be recorded, which varies depending on the risks involved and the size of the business. There are also duties on suppliers of substances to provide information down the supply chain through SDSs. The use of modern communication tools to meet these duties is currently under discussion.

Impact

727. Reminding users of the public availability of SDSs online helps them to quickly find the information they need in order to carry out a risk assessment.

Implementation Group Assessment

We are pleased that Defra worked with industry representatives through the Pesticides Forum meeting to address this recommendation. The decision not to develop a database for SDSs was taken based on the evidence and alternative action was taken through training course providers to ensure farmers are able to quickly access the information they need in order to carry out a risk assessment.

Recommendation 9.55: Farmed-saved seed

Government Commitment 132: FERA will continue to consult all interested stakeholders through its advisory forum on the idea of trading home-saved seed between holdings that are under the same management.

Action

728. This change cannot be achieved without changes to European Union regulations on Plant Variety Rights, which would require the agreement of all Member States. This is not likely to be forthcoming. The Commission has abandoned its review of the Community Plant Variety Rights Regime for the foreseeable future. Breeders would have to be consulted about the proposed changes and would fiercely oppose them. There is a Seeds Advisory Forum which gives all stakeholders an opportunity to discuss relevant issues together.

729. Defra officials, who have taken on this responsibility from FERA, will continue to consult all interested stakeholders through its advisory forum.

Impact

730. Defra officials will continue to consult stakeholders through advisory fora and bi-lateral meetings. The NFU is a member of The Seeds Advisory Forum. This is currently focused on EU Commission proposals for review of EU regulation on marketing of all propagating material, including seeds. This issue is of great importance to farmers, because it affects breeders and producers of seed. Farmers rely on breeders for new improved varieties, and seed producers for quality assured seed.

Implementation Group Assessment

When the Task Force recommended it should be possible to trade home-saved seed between holdings that are linked by being under the same management, they understood that it may require renegotiation in the EU.

Whilst the recommended change is unlikely, we are pleased to see Defra hosting a platform, the Seeds Advisory Forum, through which they can work more closely with stakeholders. This engaged approach to working will enable Defra to be aware of, and where possible make the most of, opportunities for simplifying regulatory requirements.

Chapter Ten: TSES, meat hygiene inspections and food processing

Recommendation 10.26: Food safety controls

Government Commitment 133: Continue to press for a more risk-based approach to surveillance plans for all sectors and will continue to do so now that the European Commission has started the review of Council Directive 96/23.

Action

731. The review of 96/23 has been further delayed with an estimated completion date of late 2015. The delay is due to elements of this Directive (which sets out measures to monitor certain substances and residues in live animals and animal products) being absorbed into the new Official Food and Feed Controls Regulation which the Commission wants to complete before looking at how Member State surveillance plans should be structured.

732. The UK government will continue to press for a more risk-based approach to surveillance plans for all sectors.

Impact

733. It is hoped that a more risk-based approach will lead to fewer samples being taken and will therefore reduce burdens on farmers.

Implementation Group Assessment

As emphasised elsewhere in this report, a risk-based approach is key to ensuring regulatory enforcement activity is appropriately targeted and that the burdens of regulation fall where they are most needed, on those who are non-compliant.

It is a shame that the review of directive 96/23 has been delayed, however, the work done so far by Defra and the VMD to press for a more risk-based approach to surveillance plans is to be commended and we urge them to continue to call for a risk-based approach in order to reduce regulatory burdens on compliant farmers.

Recommendation 10.26: Food safety controls

Government Commitment 134: The Veterinary Medicines Directorate (VMD) will work with the Food Standards Agency (FSA) to pursue the possibility of splitting milk samples to allow testing for both European Union hygiene controls and veterinary medicine residues to see if it will be possible to introduce such an arrangement from 1 April 2012.

Action

734. The VMD Residues Team considered the dual-use of milk samples for milk hygiene and residues surveillance but found it was not feasible. The hygiene samples apply only to raw milk producers (about 85), which are a very small sub-set of the dairy industry across which residues samples must be taken. Co-ordinating sampling would be possible for these farms only once in every two years.

Impact

735. There is no impact as the dual-use of milk samples was found to be unfeasible.

Implementation Group Assessment

Surveillance requirements should always be proportionate. It is unfortunate that in this instance it was not feasible to allow for dual testing on milk samples, which could have reduced burdens on the 85 raw milk producers who undergo hygiene sampling in addition to veterinary residue testing.

Recommendation 10.33: Frozen foods

Government Commitment 135: We will work in a closer partnership with industry on EU issues. We will engage stakeholders earlier in strategic discussions to establish priorities for influencing in the EU, and will include comments from industry in preparations for negotiations.

Action

736. The government has undertaken a number of initiatives enabling all stakeholders, including the agriculture and food industries, to express their views on EU legislation and policies. This is explained in commitment number 29 (chapter 2).

Impact

737. Industry has welcomed the opportunity to participate in discussions with Defra on EU issues. This is outlined in commitment number 29 (chapter 2).

Implementation Group Assessment

Closely linked to our assessment made in Chapter 2 on the efforts made by the government and industry to work more closely in partnership in EU negotiations, we continue to encourage Defra to be more inclusive of the views of industry when preparing for negotiations.

As Defra has outlined in detail in Chapter 2, there have been some good examples where this approach has been effectively implemented and in some cases helped to achieve joint aims which is very good to see. However, we feel that the full adoption of a joint working approach is still work in progress. We urge Defra to continue to highlight the importance of this approach to encourage its consistent application by all government officials as a key part of the culture change agenda.

Recommendation 10.40: Labelling and information

Government Commitment 136: Press the European Commission to implement their proposal to remove the existing notification and approval procedure for voluntary beef labelling claims, as quickly as possible.

Action

738. EU negotiations to remove the existing notification and approval procedure for voluntary beef labelling claims are drawing to what is expected (but cannot yet be guaranteed) to be a satisfactory conclusion.

739. The government supports the Commission's proposal to remove the existing procedures and align voluntary beef labelling with the general EU provisions on food information. This should remove much of the unnecessary financial and administrative burden facing a range of operators across the beef industry.

740. The government will continue to encourage further progress on this approach as it would avoid duplication and is a good example of simplification. The proposal would also reduce the financial burden on the Competent Authorities (CAs) in Member States administering the scheme and avoid inconsistency of approach across Member States.

Impact

741. Removing the rules on voluntary beef labelling would be a deregulatory measure of benefit to the UK beef industry. Voluntary beef labelling requirements are completely distinct from the compulsory beef labelling requirements. For example, voluntary beef labelling could include details such as the method of production, method or length of maturation or other characteristics of the meat or animal from which it came.
742. The deletion of the voluntary beef labelling provisions will have no impact on the compulsory beef labelling requirements, which include the need to state country of origin, and more importantly, will not compromise consumer health and food safety.
743. The proposal would remove an unnecessary layer of bureaucracy without compromising consumer information. Food sector businesses would be given the freedom and flexibility to market beef without having unnecessary constraints.
744. Progress would benefit a variety of livestock interests, including farmers, slaughterhouses and meat traders. Smaller operators, in particular, would benefit from a reduced burden of administration and cost. The public sector would also see a small saving as the repeal of the existing voluntary beef labelling rules would result in a decrease in the responsibilities and costs incurred by Competent Authorities when administering the scheme.
745. Abolition of the rules on voluntary beef labelling would also remove an administrative burden from importers and processors in third countries.

Implementation Group Assessment

The original Task Force recommended the removal of the voluntary beef labelling rules as the requirements were seemingly disproportionate to the benefits. This recommendation still stands and whilst Defra is progressing this work in a good direction, the outcome we desire is still to be achieved.

It is important that the UK continues to negotiate for removal of voluntary beef labelling and that where useful to do so, works with the farming industry to achieve this.

Recommendation 10.43: Sales, packaging and marketing

Government Commitment 137: Consider how an earned recognition approach can be introduced to inspections of poultry and egg producers later in 2012.

Action

746. Egg producer inspections: These inspections are carried out following a risk-based approach. Assessment of the scope for applying an earned recognition approach indicated that the high compliance rates justify a reduction in inspection frequencies. However, there was virtually no difference in compliance between members and non-members of assurance schemes that would warrant members being given additional recognition.
747. In line with the project findings, Defra officials amended the inspection regime for a trial period of two years, which started in January 2014, so that farmers will receive no more than one inspection a year.
748. Poultry meat producer inspections: These inspection frequencies are determined by European poultry meat marketing regulations, so there is limited scope to decrease the number of inspections without amending the EU regulations. Defra officials maintain regular dialogue with producers on inspections and the marketing regulations with a view to improving compliance rates, and enabling consideration of reducing the regulatory burden

Impact

749. Egg producer inspections: Before implementing earned recognition medium size egg farms received nearly two inspections and large size egg farms received nearly three inspections per annum. The reduction in inspection frequencies, due to implementing earned recognition, will result in 1000 less farm inspections per annum without affecting salmonella controls. For the trial period, inspections will be diverted towards parts of the supply chain with lower compliance rates.

Implementation Group Assessment

In response to the original Task Force call for evidence a range of submissions were received about the burdens arising from regulations covering sales, packaging and marketing. We are delighted to see that action is being taken on the basis of evidence to reduce these burdens on those who present the lowest risk.

If the two year pilot is successful this will be a great example of implementing earned recognition which has a noticeable positive impact on egg producers.

Chapter Eleven: Progress made by the Food Standards Agency (FSA)

Implementation Group Assessment

The Implementation Group has focused its' attention on Defra and its immediate family of regulators. We have not engaged with FSA simply through prioritisation of our workload. We are therefore grateful to FSA for replying to our request for an update on its work in response to the original Task Force report. We leave it to others to respond and pick up challenges and opportunities identified below.

In reading the report we are reminded of the highly sensitive period for the meat industry in the last year. Recognising this, our headline impression of the FSA's better regulation commitment is positive and we commend the apparent progress identified: the continued drive for reduced paperwork; the implementation of earned recognition; the TSE roadmap, and; the improved Trichinella controls are all good examples of reducing burdens without lowering standards.

If there is one area highlighted by the Task Force where progress made by the FSA disappoints it is in introducing third-party meat inspections. We hope that it is not too late for progress to be made on this issue.

Recommendation 2.43: Defra and the Food Standards Agency (FSA) should produce a plan for reducing paperwork and process.

Recommendation 1 to the FSA: Reduce and rationalise paperwork for farming and food-processing businesses.

Action

750. The FSA fully accepts the importance of minimising paperwork and process burdens and that guidance documents should be as short as possible.

751. Work in this area has been ongoing for many years, with the Administrative Burden Exercise (2005 – 2010) providing a particular focus. This included things such as the discontinuation of butcher's licensing, efficiency savings from meat hygiene official controls, reduction of official inspections for farms that are members of assurance

schemes, and using pre-existing data to avoid farms and feed businesses having to register as food businesses.

752. More recently, FSA forms relating to food processors and farms have been reviewed to check if the data collected is still necessary and whether any consolidations with other forms are possible. Following this the FSA are now looking at ensuring efficiency gains from the use of digital forms. Eight out of ten FSA forms relating to food processors and farms, for example to register a vineyard or approval forms for meat plants, are now available on line. The remainder will be online by the end of the 2013 financial year.

Impact

753. Between 2005 and 2010 the FSA delivered administrative burdens savings of £151 million per year. More recently, the FSA saved £44 million through guidance to aid compliance with European animal feed record keeping.

754. The increase in the number of digital forms will result in efficiency gains for farmers and food processors.

Recommendation 6.47: Guidance on the use of private water supplies

Recommendation 2 to the FSA: Develop guidance on the use of private water supplies, including use in dairy premises.

Action

755. The FSA has been working with water regulators and agriculture departments across the UK to resolve this relatively long-term issue. This arose after the Private Water Supplies Regulations required that commercial users of private water supplies undergo a risk assessment and implement a monitoring regime to ensure that the water meets the definition of “wholesome” in the Drinking Water Directive.

756. Extensive discussions have been held with legal advisors, the devolved administrations and the Drinking Water Inspectorate with the intention of issuing draft guidance on potable and clean water for consultation in spring 2014. The guidance, which is now being drafted, will provide advice on the type of circumstances in which food businesses may use clean water during certain primary production activities.

Impact

757. The consultation on the guidance will provide an opportunity to obtain views from industry and ensure that the resulting guidance provides suitable clarity in this area.

Recommendation 10.05: Proportionate and risk-based TSE controls

Recommendation 3 to the FSA: FSA to continue to reduce TSE controls where supported by scientific evidence and robust risk assessments whilst ensuring that effective consumer protection is maintained.

Action

758. The FSA has responsibility for advising the government on food safety in relation to TSEs and leads on policy relating to Specified Risk Material (SRM) controls. The FSA is working closely with Defra who lead on the other aspects of the TSE Road Map.

759. The FSA continues to reduce controls where supported by scientific evidence and robust risk assessment whilst ensuring that effective consumer protection is maintained. Where changes have been agreed at EU level, these have been implemented without delay as soon as the EU legislation permitted. For example, the FSA Board agreed to the raising of the age threshold for BSE testing of healthy cattle slaughtered for human consumption in May 2010 and in September 2011 advised on proposals to ease aspects of the feed ban relating to the use of non-ruminant protein in feed.

760. More recently, European Commission proposals were modified to remove the requirement to test healthy slaughtered cattle for BSE, with a small number of specified exceptions (e.g. fallen stock). This was implemented in March 2013 after consultation and consideration of the public health aspects by the FSA Board in December 2012.

Impact

761. Testing requirements have been significantly reduced for industry. The benefit to the industry in Great Britain amounts to approximately £3.3 million per annum.

Recommendation 10.06: Review of BSE testing and SRM removal

Recommendation 4 to the FSA: To keep the official BSE controls in approved premises under review, to ensure that they remain proportionate and take risk factors into account while maintaining a high level of consumer protection.

Action

762. In 2007, FSA began the process of introducing more risk-based official supervision of BSE controls with under thirty months cattle and sheep, extending this to include over thirty month cattle in 2009. Examples of the changes made are:

- Introducing risk-based checks in place of 100% checks on separation, staining, storage and disposal of specified risk material (SRM);
- Transfer of responsibility for dentition checks to age sheep and goats to the Food Business Operator (FBO);
- Allowing cold inspection in small plants with good compliance records;
- Replacing full time official presence in cutting plants removing SRM bovine vertebral column with risk-based daily or random checks;
- Replacing 100% official checks on cattle ID with a risk-based audit of FBO checks, and;
- Removing the requirement for abattoirs handling 30 – 48 month bovines to have a required method of operation (RMOP).

763. The FSA has also been pushing to deliver other changes as follows:

- For a number of years, the FSA has been working in partnership with industry to assess the effectiveness of alternative spinal cord removal methods which might replace the need for compulsory splitting of sheep carcasses. However, the industry has put this on hold for the moment as the initial testing of the technology in two UK abattoirs, in demonstrations organised by the FSA, indicated that it would not be acceptable to industry in its present form and there are a number of technical issues that need to be resolved before further progress can be made. If the outstanding issues with the technology can be rectified to the satisfaction of the industry representatives currently leading on this matter then the FSA will assist in running a formal trial.
- The FSA also asked industry representatives if they wished to pursue trials of the standard methods used in France and the Netherlands but industry was not interested in pursuing such trials.
- The FSA has also been pressing in Europe for a review of the SRM controls for small ruminants. The Commission position is that changes to the controls will require further scientific evidence as to the risk of TSEs in these animals.

Impact

764. The FSA has kept the BSE and SRM controls under review to ensure that they are proportionate and has introduced a series of changes that have reduced burdens and set controls on a more risk-based footing, benefitting plants of all sizes across the UK.

Recommendation 10.07: Authorise harvesting of head meat

Recommendation 5 to the FSA: Review the restriction on the harvesting of bovine head meat.

Action

765. The FSA restricted harvesting of bovine head meat to slaughterhouses because of concerns about the potential contamination of the heads with central nervous system (CNS - brain and spinal cord) tissue during movement and transportation.

766. Feedback from the industry suggests that harvesting head meat is regarded as a low priority for the meat industry. In response to a survey by industry representative groups only two UK plants expressed an interest in cutting head meat. Industry representatives noted that the particularly stringent sampling requirements that would be necessary when carrying out harvesting of head meat under EU law may well have affected the levels of interest.

767. The FSA has funded research to assess contamination from CNS on bovine head meat and preliminary results from the research are now available. The BSE and SRM controls in cutting plants are currently being reviewed, as part of this the opportunity will be taken to discuss the priorities for further action, including the harvesting of head meat and the FSA research, with industry stakeholders at the next meeting of the Current and Future Meat Controls Stakeholder Group (CFMC). This forum contains the core group of key meat stakeholders whose main purpose is to inform the Agency's work in developing proposals for more risk-based and proportionate meat hygiene and TSE/SRM requirements and the official controls relating to those requirements.

768. Subject to the outcome of these discussions, the FSA Board will be asked to provide a view, against the background of cutting plant compliance with SRM controls generally, on whether new legislation should be proposed to allow cutting plants to harvest head meat.

Impact

769. There is limited interest from cutting plants to harvest head meat.

Recommendation 10.08: Proportionate and risk-based meat hygiene controls

Recommendation 6 to the FSA: To consider further whether earned recognition, including accredited third-party schemes, can be used in the meat industry within the confines of current legislation.

Action

770. Earned recognition principles are being integrated into a number of workstreams across the FSA including:

- The FSA's current review of the audit system of approved meat plants.
- FSA has stressed to Local Authorities the need for risk-based inspection programmes and targeting activity on non-compliant businesses and greater recognition to businesses with good records of compliance.

771. FSA data shows that there have already been 3000 fewer inspections at low risk and compliant businesses. This has been reinforced in the UK with the new revised Food Law Code of Practice that has been submitted for ministerial agreement. The proposals will formally allow greater recognition of business compliance levels in deciding inspection frequencies and will reduce inspection frequencies in compliant businesses.

772. Earned recognition in the feed sector will be introduced in the Feed Law Code of Practice. Businesses that are compliant members of an approved industry assurance scheme will qualify for earned recognition and will be visited less frequently, allowing resources to be targeted at non-compliant businesses. The Code will be passed to relevant ministers for approval in April 2014.

773. With regard to the development future meat controls, the FSA is actively involved with the EU Commission and other Member States in reviewing current meat controls, with a view to developing new controls for the future that will be more risk-based and proportionate.

774. The suite of EU proposals for pig meat inspection, which are more risk-based and proportionate, will come into force in June 2014. These proposals will benefit industry in various ways, such as by providing a significantly more risk-based framework for Trichinella controls and extending visual inspection to outdoor pigs.

775. Following the publication of the European Food Safety Authority (EFSA) Opinion on poultry inspection in Summer 2012, the European proposals for poultry are expected in Spring 2014, whilst proposals on bovine meat inspection are expected in 2015.

Impact

776. With regard to the Feed Law Code of Practice, businesses that are compliant members of an approved industry assurance scheme will be visited less frequently, allowing resources to be targeted at non-compliant businesses.
777. The new pig proposals are more risk-based and proportionate and will provide a benefit for industry in terms of reducing burdens. The FSA will seek to negotiate similarly risk-based controls for the poultry and bovine sectors as these proposals come forward for discussion at EU level.

Recommendation 10.15 & 10.17: Third party meat inspection services

Recommendation 7 to the FSA: To actively engage with the European Commission in the review of the design of future meat controls, and; to consider a persuasive case from industry on alternate delivery model(s), providing support and advice as appropriate.

Action

778. The FSA Board agreed at its meeting in September 2011 that it was for the meat industry to take the lead on demonstrating the feasibility of any alternatives to the current delivery model. While the FSA committed to support this work it was to be industry led.
779. The British Meat Processors Association (BMPA) has undertaken a small amount of work on this issue but apart from BMPA, no responses have been received from other industry trade bodies. The FSA position remains that it is not its role to take the lead on demonstrating the feasibility of alternative delivery models but to act as a facilitator and enabler. The FSA's repeated offer of support and assistance remains open and a further offer has been made to host a workshop which initially only BMPA responded to until some months after the offer.
780. The FSA's primary focus has continued to be on shaping the future system of meat official controls at the European level. A key piece of legislation that provides the framework and general principles for competent authority activity to verify compliance with food and feed law is the Official Controls Regulation (882/2004). This is being updated to expand its scope to other sectors such as plants. A consultation on the review of this Regulation closed on 9 January 2014 and received 120 responses of which one third were from the meat industry. This will help form the basis for the UK's ongoing negotiations with the Commission and other member states. Updates on negotiations are circulated to key stakeholders and posted on the FSA's website however; agreement on the final text is not expected until 2015.

781. Specific fora for the meat industry currently exist and include the Steering Group on Meat Charging, with an independent chair, looking at reforming the current discounts for the meat industry's official control charges. In addition, the CFMC (see 10.07) and the Partnership Working Group, look at identifying opportunities for efficiencies in the discharge to FBO responsibilities and delivery of official control duties in approved establishments.

Impact

782. The proposal is currently being negotiated in Europe. If the UK delivers on its key negotiating objectives the farming industry would continue to see a move towards more joined up inspections across different control regimes. The requirements for inspection frequency based on risk would be strengthened, as would the ability to set inspection frequencies based on the history of compliance and the operator's own systems. The UK would also have freedom to determine where, when and how to introduce charging and industry would have a role in those decisions.

Recommendation 10.19: Greater use of cold inspection

Recommendation 8 to the FSA: Industry and the FSA should work together to ensure that use of cold inspection for small abattoirs flexibility is used whenever it is possible to do so on a case by case basis.

Action

783. The FSA continue to work with industry to optimise take up of all flexibilities, including flexibilities in Official Veterinarian attendance. Clear guidance for abattoirs on the requirements for cold inspection, setting out the legal requirements should an FBO be interested in adopting this inspection method was issued in 2008 and updated in 2009 to reflect developments in TSE legislation.

784. As part of the wider project to optimise flexibility in Official Veterinarian attendance, the FSA has worked closely with industry to survey the take up of available flexibilities, establishing a baseline, and to understand why some businesses have not taken advantage of available flexibilities. Of the businesses that responded to the survey, 16 small businesses already carry out cold inspection. With regard to businesses that do not use this flexibility, 20 do not have adequate facilities to meet the legal requirements or are not interested in implementing this flexibility in their premises. 59 establishments process cattle that originate from herds that are not officially recognised as being free from TB, and 20 establishments slaughter animals suspected of having a disease or condition that may adversely affect human or animal health.

785. Because of the offal storage and correlation requirements, cold inspection is generally more suited to smaller businesses. Cold inspection cannot be applied to animals that come from herds that are not officially recognised as being free from TB or bovine, ovine and caprine animals from herds that have not been declared officially free of brucellosis.

786. As regards the take up of flexibilities more generally, the FSA continues to work closely with industry to optimise take up. The results of the survey have been discussed with industry representatives to see what more can be done to encourage take up of cold inspection and other flexibilities. It was agreed, in light of the findings and at the request of industry, that to improve consistency each FBO should have an opportunity at least once a year to discuss flexibilities (including cold inspection) with an experienced Lead Veterinarian or Official Veterinarian, exploring whether there is scope for the FBO to take up other flexibilities. The FSA has implemented this and each business can now formally discuss flexibilities with the Lead Veterinarian or Official Veterinarian.

Impact

787. As regards cold inspection, of those businesses that responded to the survey (which was conducted to establish a baseline), 16 small businesses already carry out cold inspection. With regard to businesses that do not use this flexibility, 20 do not have adequate facilities to meet the legal requirements or are not interested in implementing this flexibility in their premises. 59 establishments process cattle that originate from herds that are not officially recognised as being free from TB, and 20 establishments slaughter animals suspected of having a disease or condition that may adversely affect human or animal health.

788. It was agreed, at the request of industry, that the best way forward to optimise take-up is to have formal discussions between Lead Veterinarians/ Official Veterinarians and the FBO on flexibilities and this new approach has been implemented by the FSA. The FSA will continue to monitor take up of flexibilities in close liaison with industry.

Recommendation 10.20: FSA to continue to develop innovative inspection arrangements

Recommendation 9 to the FSA: To conduct research and take forward the findings on innovative inspection arrangements.

Action

789. As a key component of the new EU pig meat inspection legislation, visual inspection of pigs will come into force in June 2014 and a project to implement this is underway.

790. With regard to visual inspection of lambs, this is now part of the FSA's Dressing and Inspection Procedures and Processes project, which is a joint undertaking with industry to improve wider dressing and inspection practices, such as reducing the palpation of carcasses and offal with a view to minimising cross-contamination.

791. The FSA have been working closely with industry to develop a trial for Spring 2014, to establish best practice for visual inspection of lambs and other practices. Once the trial is completed, the results will be shared and discussed with wider industry through established stakeholder fora such as the Current and Future Meat Controls Group.

Impact

792. The new EU pig meat legislation to be implemented in June 2014 provides for visual inspection of pigs and this will represent a benefit to industry. An Impact Assessment is being developed for consultation in March 2014. Potential benefits from the trial for visual inspection of lambs, which is being conducted in full partnership with industry, will be the establishment of best practice for dressing and inspection procedures which could help to reduce cross-contamination; this will be assessed as part of the trial.

Recommendation 10.22: Meat hygiene controls

Recommendation 10 to the FSA:

- The current EU legislation provides flexibility for post mortem procedures for young animals to be reduced to mainly visual inspection provided certain conditions are met.
- We will explore with industry whether this flexibility could usefully be applied
- Sterilising knives etc. in abattoirs and cutting plants considered on a case-by-case basis.
- The FSA will explore with industry what practical issues are associated with visual inspection of the udder and testicles.
- Request that the Commission services consider an amendment to the food hygiene legislation adopting risk-based controls to regulate the period between slaughter and minced-meat production.

Action

793. Visual inspection of young animals: FSA-commissioned research, published in September 2011, is informing our negotiations with the Commission and other Member States on the tasks carried out by FBO staff as part of the wider discussions on future meat controls, including the visual inspection of young animals.

794. Knife sterilisation: The FSA continues to work with industry to optimise take up of knife sterilisation and other flexibilities as part of the wider ongoing project to optimise the use of structural and operational flexibilities. Guidance has been provided to FBOs on the available flexibilities within the EU regulatory framework and has been published as an annex to the Meat Industry Guide. It was also agreed, at the request of industry, that the best way forward to optimise take-up of flexibilities is to have formal discussions between LVs/OVs and the FBO on flexibilities and this new approach has been implemented by the FSA.
795. Alternative knife sterilisation systems have been approved in slaughterhouses on a case-by-case basis and, to inform this issue further, the FSA is commissioning research, which will be complete by Summer 2014, on how to determine the equivalence of proposed alternative knife sterilisation systems.
796. Visual inspection of udders and testicles: As regards the visual inspection of udders and testicles, industry groups have made it very clear in stakeholder discussions that this matter is considered a low priority compared to other issues. The FSA remain open to considering this with industry should they wish to pursue this matter and will review industry views at the next meeting of the Current and Future Meat Controls group.
797. Adopting risk-based controls to regulate the period between slaughter and minced-meat production: The time limits prescribed in the food hygiene legislation, within which minced meat made from chilled meat can be prepared, do not fit with the risk-based approach to food hygiene advocated in that legislation. The FSA has issued guidance to enforcement officials on this aspect of the EU food hygiene legislation to ensure an appropriate and proportionate risk-based approach to enforcement; as a result this EU legislation has been under-implemented since 2006. The FSA has also submitted scientific evidence to the Commission on the age of meat at mincing which has been referred to the European Food Safety Authority (EFSA) for a scientific opinion. Once the EFSA Opinion is published (expected in 2014), the findings will be assessed to make the UK case at any subsequent EU-level discussions.

Impact

798. Optimising the take-up of many of these flexibilities has been managed through relevant project streams, working in close collaboration with industry to provide guidance and support to FBOs that are interested in the possible alternative approaches available within EU legislation. The FSA carried out a survey, providing a useful baseline, on the take-up of flexibilities and the FSA will continue to work with industry to monitor take-up going forward. It was also agreed, at the request of industry, that the best way forward to optimise take-up of flexibilities is to have formal discussions between LVs/OVs and the FBO on flexibilities and this new approach has been implemented by the FSA.
799. The EU requirements for the age of meat at mincing have been under-implemented since 2006 and the FSA understand that this is providing a multi-million pound benefit

to industry. The FSA will work with industry to assess the impact in more detail and use this information to inform our discussions with the Commission on this matter later this year.

Recommendation 10.24: Disposal of milk after antibiotic failures

Recommendation 11 to the FSA: To consider the interpretation of legislation relating to antibiotic failures in milk further with industry and consumer stakeholders and possibly with other Member States before deciding whether it is appropriate to re-open discussion with the European Commission.

Action

800. The FSA does not consider it appropriate to re-open discussions with the European Commission to loosen these controls given that they are part of wider measures which contribute to tackling the growth of antimicrobial resistance through food, an issue about which the Chief Medical Officer is concerned.

801. The FSA have however reviewed the relevant guidance in consultation with Defra and have concluded that whilst it does accurately reflect the existing EU legislative requirements, there is scope to add to the guidance to provide greater clarity on steps to take where milk fails antibiotic tests. The FSA is working with Defra to issue revised guidance for consultation.

Impact

802. Limited as the current guidance reflects the requirements of EU legislation with regard to antibiotic failures in milk and the steps necessary to dispose of the milk in accordance with animal by-product (ABP) regulations and ensure that it does not enter the food chain.

Recommendation 10.25: Open discussion on how TB reactor milk could enter the food chain

Recommendation 12 to the FSA: The FSA to consider pasteurised milk from Tuberculosis (TB)-reactor cows to safely enter the food chain.

Action

803. The FSA has reviewed this issue. EU legislation states that milk from TB reactor animals must not enter the food chain. In addition, animal health requirements stipulate that TB-reactor cows must be removed for destruction as quickly as possible.

804. There is continuing public and political sensitivity about TB in the animal population and the potential for food safety related risks. The European Commission has not shown any inclination to review its position on this matter.

Impact

805. The priority for animal health reasons is to remove and destroy TB reactor cows as soon as possible. As such there would be limited opportunity to use milk from reactor cows for human consumption even were this to be allowed under EU law.

Recommendation 10.27: Endorse EFSA trichinella controls

Recommendation 13 to the FSA: Trichinella controls should derive from a proportionate risk-based approach.

Action

806. The FSA has long considered that the Trichinella controls set out in EU Regulation 2075/2005 are not risk-based or proportionate and has under-implemented them in the UK.

807. The FSA took the lead role in EU negotiations on new pig meat inspection proposals and pressed strongly for proportionate controls, including testing requirements, and that the criteria for negligible risk should be clearly set out, proportionate and risk-based. UK research and data analysis has also been used to inform the EU's position in international standard-setting forums for trade and animal health at CODEX and the World Organisation for Animal Health (OIE), where discussions on Trichinella controls were discussed in parallel with the development of the new EU Regulation.

808. The FSA successfully negotiated a significantly more proportionate approach in the new EU Trichinella regulation which takes proper account of the comparative risk profiles of different rearing and housing systems and has reduced the testing requirements in comparison to its predecessor.

809. The new legislation forms part of the suite of pig meat inspection legislation which comes into force in June 2014 and a project is underway to implement the requirements of the new regulation.

Impact

810. The cost of the current core testing regime is borne by the FSA which represents a benefit to industry. Had the FSA fully applied the requirements of the current legislation, which has been in force since 2006, and tested all pigs, then the cost of this

would be around £8 million per year, which the FSA would then have had to pass on to the industry.

811. The new regulation which comes into force in June 2014 will deliver a more proportionate and risk-based framework with reduced testing requirements, which will address the long-standing UK concerns over the disproportionate requirements of Regulation 2075/2005 and also meet our aim of providing a clear path to securing derogations from Trichinella testing for industry.

812. As the new regulation has been developed in tandem with wider international trade and animal health standards (Codex and OIE), this will also mean that the framework for international trade is clearer. The costs to industry will be considered as part of the Impact Assessment which is being developed for consultation in March 2014.

Recommendation 10.29: FSA to ensure that abattoirs provide vehicle-washing facilities in line with their obligations

Recommendation 14 to the FSA: Provision of adequate vehicle-washing facilities at abattoirs to be considered.

Action

813. This remains a matter for resolution on a case-by-case basis should the haulier consider that the vehicle washing facilities at a particular slaughterhouse are inadequate. The FSA will aim to resolve any concerns.

Impact

814. This has not been raised further with the FSA, either by any industry body or any individual business. This suggests that the position raised with the Task Force has been resolved.

Recommendation 10.30: FSA to review greater use of recycled water in slaughterhouse

Recommendation 15 to the FSA: The FSA will continue to work with industry and the Commission on increased recycling of water in slaughterhouses.

Action

815. Recycled water can be used for cleaning parts of slaughterhouses, such as the lairage and poultry crates. EU legislation is not prescriptive with regard to the use of recycled water in other places, such as for the first part of the cleaning process of the slaughterhall floors, provided that any equipment which comes into contact with fresh meat is thoroughly cleaned and disinfected afterwards (usually by using potable water and disinfectant). The use of recycled water in these cases must be verified by appropriate Hazard Analysis and Critical Control Point (HACCP) procedures and animal health cannot be compromised.
816. The FSA conducted a survey to establish an evidence base on the take up of flexibilities and the reasons why businesses were not taking advantage of available flexibilities, including the use of recycled water. Of the businesses that responded to the survey, only 12 plants took advantage of the flexibility to use recycled water, with most indicating that they were not interested in this flexibility or that it was not suitable for their business. Further discussions with industry groups have suggested that the structural changes necessary, and associated costs, were the most likely factors in putting businesses off pursuing this flexibility.
817. The FSA has been consistently supportive of exploring further use of recycled water in European discussions, although a number of Member States have repeatedly expressed opposition to the proposals when they arise for discussion at EU level in Working Group. The FSA will however seek to raise the issue again when it is expected that it will return for further discussion with the Commission and Member States in 2014.

Impact

818. A recent survey of UK plants showed that only 12 plants took advantage of the flexibility to use recycled water, with most indicating that they were not interested in this flexibility or that it was not suitable for their business. Further discussions with industry groups have suggested that the structural changes necessary, and associated costs, were the most likely factors in putting businesses off pursuing this flexibility.
819. The FSA will continue to support the further use of recycled water in discussions with the Commission.

Recommendation 10.39: Food Chain Information (FCI) to be replaced by existing information

Recommendation 16 to the FSA: Implement the requirements for food chain information in such a way that the minimum requirements can be met simply and easily using model documents thereby minimising the burden on food business operators.

Action

820. Current EU hygiene legislation already stipulates that it is not necessary for the slaughterhouse operator to request certain elements of the required food chain information (FCI), such as the health status of the holding or the animals' health status, if he is already aware of that information through a standing arrangement or quality assurance scheme. However, under the current EU rules these arrangements could not entirely replace the need for relevant FCI.
821. The FSA has sought to implement the requirements for food chain information in such a way that the minimum requirements can be met simply and easily using model documents thereby minimising the burden on food business operators.
822. To ensure that FCI requirements are proportionate and risk-based going forward, a report of FSA-commissioned research into FCI was published in February 2013. This research evaluated the implementation of FCI and CCIR (Collection and Communication of Inspection Results) and also looked at links with other information systems, including herd health plans and third party assurance schemes, with a view to identifying whether these can be integrated into FCI, or replace all or part of it. This research has informed our implementation of the new European pig meat inspection legislation and will inform future Commission policy development on FCI for other species.

Impact

823. As the various new meat inspection proposals come online, the FSA has and will continue to implement the requirements for FCI in such a way that the minimum requirements can be met simply and easily using model documents.

Recommendation 10.45: FSA to minimise port delays (Relates to high risk products of non-animal origin imported into the EU from third countries).

Recommendation 17 to the FSA: Minimise port delays of products produced to internationally recognised standards.

Action

824. The FSA continues to push the EU Commission to ensure that only products deemed a risk to food safety are placed under restrictive import measures by using the best intelligence, expertise and analysis available. An Early Warning System is currently being finalised by the FSA that aims to identify products that may end up on the restrictive list. Remedial action by importers and exporting countries could then be taken before restrictive measures are introduced.
825. Where possible, the FSA looks to facilitate trade of products under restrictive measures but which are still in compliance with EU law. The Onward Transport initiative (which can be applied at the request of the Food Business Operator and which must be agreed, through the FSA, with the Local Authorities concerned at the arrival and destination points) allows consignments awaiting laboratory results to travel from the border to an agreed destination to be held until the results are achieved. This allows for the quick release of fresh products once a favourable result is achieved.
826. FSA research to explore the role accredited certification schemes could play in the better targeting of risk-based inspection activity (with particular focus on the deployment of imported food checks) at UK points of entry was published in November 2013. The FSA is looking at how to take forward the conclusions.
827. The report is available to view [here](#)

Impact

828. The measures the FSA have taken will allow businesses to have product available for marketing more speedily thereby improving quality and increasing the financial return for businesses.

Acronyms

ABP	Animal By-product
ADBA	Anaerobic Digestion and Biogas Association
AHDB	Agriculture and Horticulture Development Board
AHVLA	Animal Health and Veterinary Laboratories Agency
AHWBE	Animal Health and Welfare Board for England
AIPA	Advice, Incentives and Partnership Approaches
AOEM	Agriculture Operator Exposure Model
APIS	Air Pollution Information System
AQMAU	Air Quality and Assessment Unit
ARI	Accountability for Regulator Impact
BAP	Biodiversity Action Plan
BDUK	Broadband Delivery United Kingdom
BEIC	British Egg Industry Council
BMPA	British Meat Processors Association
BPC	British Poultry Council
BPEX	British Pig Executive
BRAWG	Bystander Risk Assessment Working Group
BRE	Better Regulation Executive
BSE	Bovine Spongiform Encephalopathy
CAAV	Central Association of Agricultural Valuers
CAP	Common Agricultural Policy
CCA	Competent Control Authority

CCIR	Collection and Communication of inspection Results
CCW	Countryside Council for Wales (now NRW)
CEO	Chief Executive Officer
CfD	Contracts for Difference
CFE	Campaign for the Farmed Environment
CFMC	Current and Future Meat Controls Stakeholder Group
CII	Cattle Identification Inspection
CLA	Country Land and Business Association
CNS	Central Nervous System
CoC	Certificates of Competence
COSHH	Control of Substances Hazardous to Health
CPH	County Parish Holding
CPSA	Standing Committee for Agricultural Statistics
CRC	Carbon Reduction Commitment
CRD	Chemicals Regulation Directorate
CTS	Cattle Tracing System
DCLG	Department for Communities and Local Government
DCMS	Department for Culture, Media and Sports
DECC	Department for Energy and Climate Change
DfT	Department for Transport
DG AGRI	Directorate General for Agriculture
DPCG	Direct Payments Consultative Group
EDoC	National Electronic Duty of Care
EFSA	European Food Safety Authority
EIA	Environmental Impact Assessment
EPR	Environmental Permitting Regulations

EQual	Ensuring Quality of Waste Derived Products
FACTS	Fertiliser Advisors Certification and Training Scheme
FAS	Farmer Advise Service
FBO	Food Business Operator
FCI	Food Chain Information
FERA	Food and Environment Research Agency
FIG	Farmer Information Group
FIT	Feed-in Tariffs
FSA	Food Standards Agency
GAEC	Good Agricultural and Environment Condition
GDS	Governmental Digital Service
GHG	Greenhouse Gas
GHGAP	Green House Action Plan
GIS	Geographic Information System
GLA	Gangmasters Licencing Authority
HACCP	Hazard Analysis and Critical Control Point
HCC	Hybu Cig Cymru
HSE	Health and Safety Executive
HSL	Health and Safety Laboratory
HTA	Horticulture Trade Association
IAGSA	Institute of Agricultural Secretaries and Administrators
Implementation Group	Farming Regulation Task Force Implementation Group
IPPC	Integrated Pollution Prevention and Control
LEAF	Linking Environment and Farming
MAC	Migration Advisory Committee
MBMA	Meat and Bone Meal Ash

MEP	Member of the European Parliament
MWh	Megawatt Hours
NAO	National Audit Office
NFU	National Farmers Union
NOWR	National Operator Waste Returns
NPA	National Pig Association
NPPF	National Planning Policy Framework
NPS	National Permitting Service
NRW	Natural Resources Wales (previously CCW)
NVZ	Nitrate Vulnerable Zones
OECD	Organisation for Economic Co-operation and Development
OGD	Other Government Department
OIE	World Organisation for Animal Health
PIMMS	Policy Information Management Made Simpler
PLANET	Planning Land Applications of Nutrients for Efficiency and the Environment
PPE	Personal Protective Equipment
PUS	Pesticide Usage Surveys
RBTG	Risk Based Trading Group
RCBF	Rural Community Broadband Fund
RDP	Rural Development Programme
RDPE	Rural Development Programme for England
REAL	Renewable Energy Assurance Ltd.
REFIT	Regulatory Fitness and Performance
RHI	Renewable Heat Incentive Scheme
RMOP	Required Method of Operation

ROC	Renewable Obligation Certificate
RPA	Rural Payments Agency
RSPB	Royal Society of the Protection of Birds
SAW	Seasonal Agricultural Workers Scheme
SDA	Severely Disadvantaged Areas
SDS	Safety Data Sheets
SERR	Smarter Environmental Review Project
SMART	Specific Measurable Assignable Realistic Time-related
SME	Small and Medium Enterprises
SMR	Statutory Management Requirements
SOA	Sole Occupancy Authority
SPS	Single Payment Scheme
SRM	Specified Risk Material
SSAFO	Silage, Slurry and Agricultural Fuel Oil
SSSI	Sites of Special Scientific Interest
TB	Tuberculosis
TBEG	Tuberculosis Eradication Group
TF/Task Force	Farming Regulation Task Force
TFA	Tenants Farmers Association
The Panel	Strategic Regulatory Scrutiny Panel
TRIG	Tenancy Reform Industry Group
TSE	Transmissible Spongiform Encephalopathies
TUC	Trade Union Congress
TVG	Town and Village Greens
UKAS	United Kingdom Accreditation Service
VMD	Veterinary Medicines Directorate

WATOK	Welfare of Animals at the Time of Killing
WCL	Wildlife and Countryside Link
WIIS	Wildlife Incident and Investigation Scheme
WRAP	Waste and Resources Action Programme
WRAS	Water Regulations Advisory Scheme