

Farming Regulation Task Force Implementation Group

‘One Year On’ assessment

27 February 2013

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Letter to the Minister of State for Agriculture and Food

27 February 2013

David Heath MP, Minister of State for Agriculture and Food, Defra

Dear Minister,

In February 2012, the independent Farming Regulation Task Force Implementation Group, chaired by Richard Macdonald, was established. We were asked to oversee, and ensure transparency in, the work of both the government and the industry in implementing the commitments made in response¹ to the Farming Regulation Task Force² report, which recommended over 200 ways of eliminating unnecessary regulatory burden on farmers and food processors.

Since the publication of the government response, we have met seven times to provide independent insight, and a level of challenge, to officials on the progress they are making to implement their commitments.

At an early stage, we identified priority issues, from the Task Force report, which we believe, if addressed, offer the greatest long-term benefits for the farming industry. These priority 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.

¹ The government response to the Farming Regulation Task Force report was published in February 2012 and contained 137 separate commitments to take action in response to the Task Force recommendations.

² The Report of the Independent Farming Regulation Task Force (May 2011).

In addition to these priorities, we have also championed a number of individual issues. We have worked to find solutions to the problems caused by fly-tipped waste, to encourage work on rural access to broadband, and to champion the use of farmer consultation groups. Inevitably, there have also been areas in which we would have liked to have taken a more active role had time allowed. So, while our review is subject to limitations, we hope that it provides helpful guidance as to our view of the progress made on the Task Force's agenda.

'One Year On' assessment

You have asked us to assess what progress has been made so far by the government and the industry to implement commitments made in response to the Task Force report. We have divided our assessment into the key themes which cover the priority issues for the farming industry. For each of these themes, we have summarised the Task Force's original recommendations and the commitments made by the government and industry in response. We have then set out what action we understand to have taken place to date, offered our view on this, and suggested where it could be taken further.

Whilst we acknowledge the positive action taken by Defra in response to the Task Force report, it has to be said that farmers have yet to see many of the positive outcomes towards which we are all working, and a lot of frustration remains on the ground. It is clear to the Implementation Group that strong leadership, engagement and communication, at all levels and in all areas of Defra and its agencies, are needed to reduce the regulatory burden on farmers and food processors. Much of this is not easy: it also requires sustained input, thought and imagination from senior industry figures. We urge you and the department to push forward the Task Force agenda with resolution and with pace, and we challenge the industry to do the same. That impetus applied over the next twelve months should result in real change where it matters: on the ground.

This report is our 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

Section 1: Culture Change

Task Force recommendations

1. In Chapter Two of its report, the Task Force made a series of recommendations to both the government and the industry related to changing the way that they work. It called for a shift from “bureaucracy to responsibility and partnership working”, challenging government to do more in seeking alternatives to regulation in order to achieve desired outcomes. It also recommended a closer partnership between government and the industry during the development of policy and guidance. It recommended that the UK’s engagement in the EU should be greater, earlier and more in partnership with the industry, advising that the government should do more to press the European Commission to apply its own principles in its Communication on Smart Regulation.³

Government response

2. In response, Defra committed itself to adopting the principles set out in Chapter Two of the Task Force report into policy development, specifically at the outset of the policy-making process and during the impact assessment process. It agreed to adopt a more consistent approach across the department and its delivery agencies, and to establish tighter scrutiny over regulatory and deregulatory plans. It also committed itself to increasing the transparency of the regulatory landscape by making legislation, guidance, impact assessments and other documents easily available in one place online. The need for more effective, clearer guidance was accepted.
3. Defra also accepted the need to work in closer partnership with the industry. It agreed to set up a business exchange programme with the NFU, to facilitate greater partnership and understanding between the two organisations. It committed itself to encouraging staff working in the farming sector to visit farms, and to rolling out a package of learning and development for staff in order to embed the principle of effective collaboration with the industry.
4. Defra also accepted the Task Force’s ideas on working with the EU, and committed itself to driving forward its Better Regulation agenda in Brussels.

Progress to date

5. Defra’s commitment to effecting culture change has been reinforced to the Implementation Group and staff across the department by ministers and senior officials. At an early stage, the department identified the features of the culture it would like to create:
 - **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.
 - **Horizon-scanning**: Working both within the department and with the industry to agree priorities, and anticipating new developments.

³ Smart Regulation in the European Union (October 2010)

- **Early engagement:** Creating a ‘no surprises’ culture under which the 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 before determining that regulation is the best way forward.
 - **Co-design:** Involving farmers and industry organisations in developing solutions, focusing on desired outcomes and looking at the practical on-farm impact of how policies are implemented.
 - **Introducing earned recognition** into inspection mechanisms.
 - **Holding delivery bodies accountable** for risk-based inspections and good inspection behaviours.
 - **Working in partnership in the EU:** Using industry contacts to influence EU policy-making. Involving stakeholders closely and using their expertise in developing negotiating briefs.
6. **The Implementation Group endorses the above principles and notes the work that has taken place to promote them within Defra. We also recognise that a real change in culture cannot be achieved and truly embedded overnight. This was, however, delayed in practice, as the publication of the government’s response to the Task Force report coincided with Defra embarking on significant organisational change. Because of this, we feel it was only when much of this re-organisation had taken place, about September 2012, that work to change the culture of the department began in earnest. There is still much to be done in some parts of the department, but we can now see this necessary shift in culture gathering momentum with the support of the department’s leadership. It is important that these principles of culture change are applied both in the formulation of a policy and throughout its implementation. Ministers and officials must continue to drive forward this new culture if a useful and lasting difference is to be made.**
7. **Culture change should be seen as a means to an end, and the measure of its success should be whether it produces positive effects on the ground. We recommend that Defra conduct a stock-take, in spring 2014, with input from industry representatives and individual farmers, to assess whether these principles have had an impact on the ground.**

Policy development/regulatory transparency

8. The progress made by Defra in changing the way in which it works in response to the Task Force report will be demonstrated by:
- the development and implementation of a new internal policy scrutiny procedure which focuses on ensuring that all policy options, not just regulation, are considered. The principles of closer working with the industry are embedded within this new process, which also includes a single database of all policies under development. This procedure will challenge policy to ensure better regulation principles are being applied. It will be in place by spring 2013;

- the introduction, in spring 2013, of an online database called 'Defra-Lex' containing all regulations in the department's remit, as well as accompanying guidance, impact assessments and other documents. This will make it much easier for those in the industry to have access to the rules that affect them once it is made public later in the year;
 - a commitment made by the department that all new guidance be reviewed by farmers in order to ensure that it is clear, accessible and free of jargon;
 - using the opportunity presented by the movement of information to the new government website, www.gov.uk (by mid-2014), to review both the content and accessibility of guidance material. This will aim to make it easier and quicker for farmers and other businesses to find out about their environmental and other obligations.
9. **The Implementation Group feels that the move to a single government website presents both a risk and an opportunity. Managed well, it provides a chance to improve the quality of information and to present it in more imaginative and accessible ways. Managed badly, however, and without sensitivity to the needs and capacity of often small farm businesses, it could cause significant disruption to farm businesses and sector bodies who may lose access to information they currently rely upon. In driving forward the better regulation agenda, Defra has a crucial role to play in ensuring that the former is achieved. The forthcoming Common Agricultural Policy (CAP) reform will be one of the earliest tests of the government's new approach to providing digital services.**

Partnership working

10. **The Implementation Group is pleased to see that a start has been made by Defra towards increasing the department's understanding of the farming industry. There appears to be genuine enthusiasm from many to learn more. There is, however, much more to be done. In order to make a material difference, the department needs to put in place a structured programme for those whose work impacts on the industry. This should form part of a strategic commitment to improving knowledge of food and farming. The good progress that we have seen should be emulated across Defra and its agencies.**
11. Defra has demonstrated its commitment to working in partnership by working with the farming industry on the development of EU Animal Health Law, for which the department has established a core group of industry stakeholders and held sector-specific workshops to inform policy development.
12. In January 2013, Defra further demonstrated its commitment to working in partnership by establishing a Water Quality Farmers' Panel, comprising a group of active farmers from as wide a variety of geographical locations and farming sectors as possible. The panel provides a forum for officials to seek direct practical advice when developing policies, helping to ensure an appreciation of the farming perspective at each stage of policy development. **The Implementation Group commends this pro-active approach to**

other teams across Defra. Real success will be achieved when it is adopted across all regulatory issues.

13. To date, it has not been possible to establish a programme of two-way secondments between Defra and the NFU. Both organisations are enthusiastic about making this happen, but resource constraints make it difficult to commit available staff to secondments. The department has, however, taken steps to improve staff understanding of the farming industry through a programme of learning and development opportunities, including seminars led by farmers and other industry representatives which will be running throughout 2013. A series of staff visits to various farming and food businesses has also been arranged with the help of the Implementation Group; these will start in March. **We welcome these visits and seminars but we must emphasise the importance of developing a strategic and permanent programme of learning and development on food and farming for all relevant staff to ensure it has a lasting impact.**

14. Defra is also changing the way it works with the farming industry on EU policy. In December 2012, the department hosted a meeting with farming representatives to develop a more strategic approach to engagement on EU farming policies. This will ensure that limited resources, both in Defra and the farming industry, are focused on working together on an agreed list of priorities. **The Implementation Group sees this as a positive step towards closer working relationships between Defra and the farming industry on the EU agenda. We hope that this meeting will be followed up by the department and the industry agreeing a joint agenda and a plan for taking it forward by summer 2013.**

Section 2: Inspections

Task Force recommendations

1. The Task Force highlighted farmers' concerns that inspections are unnecessarily time-consuming and disruptive to their business, and that their purpose is not always clear. It set out a number of principles to improve the way in which inspections are targeted and organised, so that disruption to business is minimised.
2. A fundamental recommendation of the Task Force was that Defra and its agencies develop and implement the principle of earned recognition. An earned recognition approach reduces the burden of regulation on farmers who demonstrate a strong track record of reliability and adherence to standards.

Government response

3. In its response to the Task Force report, Defra accepted the principle of earned recognition, and agreed that, where possible, it would plan to apply this approach across all inspection regimes. It also committed itself to improving its risk-based targeting of inspection and enforcement. The government pledged to ensure that farm inspectors are appropriately trained, and to encourage them to ensure that their work is adequately co-ordinated at a local level. It also announced that there would be a review of the scope for the Rural Payments Agency (RPA) taking greater responsibility for managing the cross compliance inspection process.

Progress to date

Reducing the burden of inspections

4. Significant steps have been taken by Defra, its agencies and local authorities in order to improve the way in which inspections are conducted and to reduce burdens on farmers. These steps include:
 - Defra supporting the NFU and local authorities in setting up three more Regional Inspection Forums, in addition to the already-established Forum in East Anglia involving those with responsibility for farm oversight. This will 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;
 - 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.

There has been enthusiastic engagement between farmers and regulators at these meetings, and a commitment from all parties to ensure they are established and to make improvements to the way that inspections are targeted and carried out;

- Staffordshire County Council pioneering an approach to ensure Trading Standards officers improve their risk based approach to on-farm inspections. This is achieved by telephoning those farmers who are potentially selected for inspection and asking them a fixed list of questions, including whether they have recently been inspected. This determines whether the visit is necessary;
 - the RPA, in January 2012, taking over cross compliance visits to farms previously conducted by the Environment Agency, helping to simplify the inspection process;
 - Defra, by summer 2013, publishing a farmers' guide to inspections so that farmers understand why they are inspected and how they are selected for inspection.
5. **The Implementation Group is pleased to see the setting up of additional Regional Inspection Forums. These should allow farm businesses and local inspectors to share best practice and learn from each other in a neutral environment. We recommend that they be adopted nationwide.**
6. **We note the continuing frustration of farmers over inspections. We think that there is still significant scope for Defra agencies and local authority inspectors to better understand the concerns of those they inspect. We would welcome the introduction of an opportunity for farmers to give feedback on an inspection after it takes place, as such opportunities are currently limited.**
7. **On a more strategic level, we recommend that Defra, with industry involvement, conduct a review of the way that Defra agencies carry out their inspection duties which should seek opportunities for streamlining. The Triennial Review process might offer an opportunity for some of this work to take place. We encourage the industry to be vocal in telling the government where inspections are unnecessary or could be reduced in scale. We note the very positive move taken in response to the RPA review, in which it was recommended that it take greater responsibility for managing the cross compliance inspection process.**

National Audit Office (NAO) Report on Streamlining Farm Oversight

8. Defra recognises that conducting inspections more efficiently will deliver benefits for both agencies and farmers. In order to help identify how efficiencies might be realised, the department asked the NAO to carry out a study on the issue. The NAO published its study in December 2012, making a number of recommendations. These included:
- improving mechanisms to track inspection activity, its costs and compliance;
 - improving information and intelligence-sharing between inspection bodies, so that farm visits are focused where compliance needs to be improved and risks managed.
- Defra has already started to implement these recommendations; including commissioning a feasibility study of tools that can help identify higher risk businesses. From April, Defra will also be collecting data on site visits from all its delivery partners. If the pilot is successful this data will be published annually.
9. **The Implementation Group recognises that overhauling the inspection process of a diverse range of arms-length bodies is a complex undertaking, and that the**

resources available to do this are limited. Visits for the purposes of disease surveillance and control must be maintained, but in some cases it may be appropriate to use such visits for additional purposes and thus reduce the overall burden. The NAO report identifies a number of opportunities for change, and evidence that such change would be positive. We urge Defra and its agencies to be ambitious by acting on the NAO recommendations and improving their overall approach to inspections which are carried out for compliance and enforcement purposes. For example, data from surveillance visits could be used as intelligence and shared across agencies in order to reduce the burden of inspections. One issue which the Task Force raised was whether it was appropriate for local authorities to be involved in compliance inspections, as opposed to enforcement work. Given public sector budget cuts, this seems increasingly prudent.

Earned Recognition

10. In response to the Task Force recommendations on earned recognition, Defra is producing an Earned Recognition Plan, due for publication shortly. This will set out potential opportunities for introducing an earned recognition approach to on-farm inspections. Defra's assessment is that approximately 18% of total farm visits could be eligible for this approach to be applied, as the rest are either not undertaken for the purposes of ensuring compliance with regulatory requirements (e.g. disease surveillance activity) or are driven by EU legislation governing how premises for inspection are selected.
11. **The frequency and value of inspections and the competence of inspectors remain sensitive issues for farmers, and the Implementation Group recommends that both Defra and the farming industry remain committed to implementing an earned recognition approach. We acknowledge the need for a robust system of inspection, but we think that there remains significant potential for it to be better targeted towards those who present the greatest risk of non-compliance, and for good performance to be rewarded with fewer inspections. Defra should be considering a wide variety of factors for inclusion in risk models, including membership of assurance schemes, but also other ways in which farm businesses have external validation. Of course, the implementation of an earned recognition approach should not penalise farmers who are not in assurance schemes and who comply with all relevant legislation.**
12. As reported in the government response to the Task Force report, Defra and its agencies have adopted earned recognition for:
 - **Farm animal welfare inspections:** as a result, producers who are members of Accredited Welfare Assurance Schemes were not selected in 2012 for a risk-based animal welfare inspection under cross compliance, and;
 - **Dairy hygiene inspections:** earned recognition was introduced by the Food Standards Agency in 2011 (estimated saving to dairy farmers of £1.32m per year).
13. Further work continues to:

- investigate the potential for incorporating an earned recognition approach into risk-based cross compliance inspections. On behalf of Defra, Fera is leading research, with input from the RPA, Assured Food Standards, LEAF Marque and the Soil Association, to investigate whether or not members of farm assurance schemes are more likely to comply with cross compliance legislation. Depending on the results of this research, Defra will work with the RPA to implement an earned recognition approach into cross compliance inspections in 2014;
- investigate the potential for incorporating an earned recognition approach into inspections for poultrymeat and egg marketing. An initial assessment of options will be produced in early 2013 with a view to informing discussions with relevant third-party assurance schemes and the industry;
- investigate the potential for the development of an online tool which farmers could use to voluntarily offer information and evidence to earn them recognition; and
- incorporate the principle of earned recognition into the government's negotiating position for the 2014-2020 CAP.

14. These actions exemplify the effort which the Implementation Group has seen over the last year to explore the earned recognition approach. This work needs to continue to ensure that earned recognition is implemented as far as possible under current EU law, irrespective of future changes to the CAP.

15. The Implementation Group has also noted the positive progress made by the Environment Agency in working towards a situation where all pig and poultry farms are eligible for entry into the IPPC Farm Assurance Scheme. We applaud the work undertaken by the Environment Agency to raise awareness of issues common to the sector through the development of improved advice and guidance delivered in partnership with industry bodies.

16. We now need, however, to convert intentions and plans into outcomes. Only if such bold action is taken by both the government and the industry will earned recognition have the effect that the Task Force intended. The Implementation Group believes that a lot more can be achieved and that in order to really push this issue, the farming industry itself must appreciate the benefits of an earned recognition approach. We recommend that Defra develop a more pro-active strategy for taking forward its relationship with assurance schemes, and that the department explore the other means by which farmers might earn recognition. We challenge Assured Food Standards, and other industry bodies, to come forward with alternative approaches to the current system of inspections which deliver better outcomes. In order to make real progress on earned recognition we need Defra and industry leaders to identify opportunities where this approach can be applied, as well as methods for identifying good farm performance. The Implementation Group is happy to take a facilitating role in this if required.

Section 3: Business and Management

Task Force recommendations

1. The Task Force report made a number of recommendations aimed at increasing the flexibility of the planning system in order to reflect the need to encourage more sustainable and productive farm businesses. It also recommended measures to increase the supply of seasonal labour, and the amendment of the Road Vehicles (Construction and Use) Regulations to reflect the needs of modern farm machinery. The Task Force also called on the government to set a goal of 100% quality broadband access in rural areas.

Government response

2. In its response to the Task Force report, the government wrote that the National Planning Policy Framework would set out, in detail, reforms intended to make the planning system less complex and more accessible. The government also committed itself to examining the way in which village greens are designated, and to inviting the Tenancy Reform Industry Group to consider whether a less costly approach could be taken to resolving disputes which arise within agricultural tenancies and to review the question of who is liable for repair costs on many tenanted farms. It also wrote that Defra, the Home Office and other interested government departments would consider options for the fulfilment of seasonal labour needs beyond 2013.
3. The government acknowledged that the Task Force's recommendations on the amendment of legislation on weight and speed restrictions for tractors and trailers need careful consideration, and committed itself to engaging with the industry to consider how they might be taken forward. Defra set out the government's target of providing superfast broadband to 90% of premises in each county in England by 2015, with the remaining 10% receiving a minimum standard broadband service of 2Mbps which could be upgraded to superfast in the future. The government response to the Task Force Report also discussed the £20m Rural Community Broadband Fund, which will provide funding for superfast broadband projects in the most hard-to-reach areas of the country which would not otherwise receive superfast broadband under the main roll-out programme.

Progress to date

Planning

4. The National Planning Policy Framework was published in March 2012, setting out planning policies for England and how the government expects them to be applied. Local authorities have until March 2013 to ensure that their Local Plans conform with this Framework. In it, the government committed to supporting the sustainable growth and expansion of all types of business and enterprise in rural areas, both through conversion of existing buildings and well-designed new buildings, and promoting the development and diversification of agricultural and other land-based rural businesses.

5. In January 2013, the government launched a consultation on plans to reduce the amount of information required for planning permission. The consultation focuses on design and access statements, the information required to accompany an application, and the right to appeal if an applicant considers that the local authority is asking for unnecessary detail. The consultation is also considering proposals to scrap the need for a local authority to set out reasons why a planning permission is granted.
6. **The Implementation Group recognises that planning remains a significant and contentious issue. We are aware that it is unlikely that there will be any significant changes to the current system of planning legislation. Problems which arise are essentially local, stemming from some councils who do not appreciate the needs of farmers, and farmers who have neither explained their development needs nor engaged with their neighbours and local communities.**
7. **Farmers and officials must work much better together in order to ensure that the planning system optimises opportunities for sustainable food production and enhances the sector's competitiveness. Against this background, we strongly commend the work which the NFU is doing to explain the case for farming development, with seminars for both farmers and planners where these issues can be discussed. There is no doubt in our minds that fostering mutual understanding and promoting best practice in planning applications is likely to have the greatest benefits for reducing conflict at a local level, almost irrespective of any statutory solution. We urge the NFU and other industry bodies to continue this dialogue and look to Defra to take a stronger role in supporting this effort.**

Tenancy Reform

8. The Tenancy Reform Industry Group (TRIG) has developed the Task Force's recommendations on tenancy law. In October 2012, it sent detailed proposals with draft legislation to ministers, recommending that the government:
 - provide the option of using independent experts to resolve certain disputes within tenancies;
 - modernise the Agriculture (Maintenance, Repair and Insurance of Fixed Equipment) Regulations ('the model clauses') to clarify the issue of who is responsible for maintenance and repairs on agricultural tenancies.
9. TRIG has also:
 - submitted to Ministers in October 2012 agreed proposals with draft legislation for a new principles-based approach to end-of-tenancy compensation;
 - endorsed proposals made in August 2012 to HMRC and HM Treasury for reform of the way Stamp Duty Land Tax is applied to agricultural tenancies. This is intended to minimise the burden which the current system places on agricultural tenancies.

The Implementation Group looks to the government to carry these agreed industry initiatives forward.

Seasonal Labour

10. The Home Office has commissioned advice from the Migration Advisory Committee on how seasonal labour needs might best be addressed were the Seasonal Agricultural Workers Scheme to end in December 2013. The Committee has been asked to present its findings by March 2013.
11. **The Implementation Group welcomes the joint working between Defra and the industry to make the case for the much-needed continuation of the Seasonal Agricultural Workers Scheme to the Migration Advisory Committee. It is vital that the Home Office make an early decision on how seasonal labour needs will be addressed in the future so that farm businesses have time to adapt their recruitment plans for 2014.**

Transport

12. The Department for Transport continues to work with representatives of the farming and agricultural engineering industries to examine how the maximum speed limit for regular tractors might be increased, and how an increase in the maximum weights of agricultural trailers and combinations might be implemented, whilst ensuring road safety standards are maintained. An Impact Assessment is being prepared with contributions from interested parties before the publication of a consultation that will set out options for a way forward later this year. Options currently under consideration include no change, increasing both the maximum trailer and maximum combination weights, maintaining existing maximum trailer weights while increasing the weight of combination permitted, and a testing scheme (with an add-on option of an increase in speed limit).
13. **The Implementation Group commends this work, and the partnership between government and the industry that has facilitated it. We would like to see it continue and yield positive outcomes this year.**

Agricultural Wages Board

14. **The Task Force did not comment on the abolition of the Agricultural Wages Board as ministers were already committed on this issue. The rules around the Agricultural Wages Board, however, constitute a significant unnecessary regulatory burden, and we strongly support the action which ministers have taken on this matter.**

Rural broadband

15. Local Broadband Plans for the roll-out of rural broadband have now been approved. Broadband Delivery UK is managing and delivering the programme, working with local authorities on the development of around 40 rural projects. BT and Fujitsu are the two suppliers on the Broadband Delivery Framework for countywide rollout and are able to bid for contracts. Four projects are entering procurement per month, so that the last projects are due to complete procurement in August 2013. The government has received over 80 expressions of interest under the Rural Community Broadband Fund: 52 have been

conditionally endorsed and invited to proceed with a full application. The department expects to launch a third round of expressions of interest in March 2013.

- 16. The Implementation Group is pleased that the government recognises the importance of high-quality broadband access in rural areas. We must stress that the government's intended move to a 'digital-by-default' approach, which is a potentially important step in reducing burdens on farmers, must be supported by an adequate broadband network in hard-to-reach areas as well as urban ones. Comprehensive cover will allow small rural businesses to reduce their costs and will drive economic growth.**

- 17. We are, though, concerned that the current review of the Electronic Communications Code (which governs landowners' agreements with operators for masts, cables and apparatus) may lead to changes that could prejudice the current general willingness of landowners to accept apparatus on their land. If that were the outcome, it would be counter-productive to the larger goal of useful rural broadband.**

Section 4: Data-sharing and Paperwork

Task Force recommendations

1. In its report, the Task Force made a number of recommendations aimed at reducing the burden of paperwork on farmers. It warned government against collecting superfluous data, discussed its aspiration that all paperwork becomes 'digital by default' and recommended greater use of pre-populated forms. It also recommended that more efficient ways of gathering and sharing information should be explored, and that there should be a presumption that regulators share data with each other, except where they are not legally or technologically able to do so.

Government response

2. In response to this, the government agreed to establish a comprehensive picture of what information requests are being made of farmers and then work to eliminate those requests which are duplicated, or unnecessarily burdensome. It also announced that it would work to increase the amount of data-sharing between agencies.
3. The government's response also contained a commitment to explore alternative possibilities for exchanging data, for example through digital maps and geographic information services (GIS).

Progress to date

4. Defra has sought to minimise the burden of paperwork on farmers and to encourage its agencies to share more data with each other.

Reducing the burden of information requests

5. As part of the Smarter Environmental Regulation Review, Defra is reviewing the data it collects from businesses, including farmers, and looking for opportunities to reduce the burden of unnecessary information requirements. This work will be rolled out in 2013.
6. To find out from farmers what they find most burdensome about information requests, Defra held two farmer workshops in association with the NFU in spring 2012. One problem was that farmers did not understand why they were required to provide certain information. As a response to this, the electronic June Survey in 2012 had an amended covering email to provide a more accurate explanation as to why the information was needed, and what it was used for.
7. Defra is also working to introduce a new IT system for all CAP payments in England from 2015. The system will be built during 2013 and then go live in phases during 2014-15. Recipients will only have to enter their details once to a single point of contact rather than for each CAP scheme for which they apply, which should significantly reduce the burden of form-filling for a number of farmers.

Reducing paperwork burdens

8. Defra and its agencies have taken forward several actions to minimise the burden caused by paperwork. These actions include:
 - the RPA providing an 'update only' Single Payment Scheme (SPS) information booklet (supplement) to farmers from March 2012, highlighting key regulatory changes, instead of issuing a comprehensive guidance handbook;
 - the Environment Agency simplifying the process of applying for e-permits by providing fact-sheets, templates and examples of what is needed to satisfy permit conditions;
 - the new Nitrates Regulations, coming into force in early 2013, with some exemptions from record-keeping for low-intensity farms;
 - securing changes to European legislation deferring the introduction of individual movement reporting until 31 December 2014 for the historic national sheep flock. This has saved farmers an estimated £4-11.5m, and has spared them the burden of having to either EID sheep born before 2010 or manually record their movements;
 - the Rural Payments Agency creating a system which allows farmers to submit and track their SPS application electronically.

Sharing information

9. The department has made significant steps towards greater data-sharing between agencies. It conducted a study on how to overcome barriers to data-sharing. The conclusions of this study have been promoted among Defra agencies and are already yielding tangible results. For example, the Environment Agency has now gained access to Customer and Land (CLAD) data, showing the location of all farm businesses with name, address and recorded land boundaries. This has allowed it to better target helpful communications to farmers in a particular geographic area.
10. Defra is also exploring strategic solutions to encourage more information and intelligence sharing. The department is conducting a study to examine the feasibility of introducing a National Regulatory Information System (NRIS) tool for farm inspections, linking information in existing databases within a GIS-based tool. This would allow for greater co-ordination and risk-based targeting of on-farm inspection activity. This work also helps to address the recommendations of the NAO, whose December 2012 report, Streamlining Farm Oversight, highlighted the need for greater sharing of data and intelligence between Defra agencies in order to avoid unnecessary duplication, cost and burden.
11. **The Implementation Group emphasises the importance of continuing to reduce the burden of paperwork on farmers, and the tangible benefit this will provide to farm businesses. We welcome the steps that Defra has taken to ease the burden of form-filling by pre-populating forms and minimising the data required, and urge the department to continue seeking out further opportunities to do so. We strongly believe that the new CAP offers a major opportunity to create a scheme whose requirements can be met with less bureaucracy, particularly through SPS online. Nationwide access to broadband should offer a chance to significantly reduce paper-based systems.**

Section 5: Environment and Land Management

Task Force recommendations

1. The Task Force report expressed a concern that information for farmers was often promoted in a fragmented way which was not sufficiently focused on outcomes. It recommended that government should deliver simplified environmental messages to farmers, coupled with advice and incentives to increase uptake of best practice. It suggested that the Campaign for the Farmed Environment might be a suitable vehicle to deliver much of this.
2. The Task Force also recommended that record-keeping and calculations to demonstrate compliance with the Nitrate Regulations should be significantly simplified, including exemptions for organic and low-intensity farming systems. It called for a move towards a catchment-based approach to managing diffuse pollution, as well as for reform of environmental consenting and permitting. The Task Force expressed its view that farmers should not have to treat fly-tipped material as business waste.
3. The Task Force report recommended that the environmental permitting application form and the accompanying charging note be tailored to the agricultural sector, and that the waste exemptions system be simplified. The report called for Defra to reframe GAEC 1 as a 'duty of care', as well as making the Soil Protection Review voluntary and using it in earned recognition.

Government response

4. In its response, the government agreed that environmental messages given to farmers and their advisers could too often be confusing, and agreed to define and promote a clear set of actions on which farmers would be encouraged to focus.
5. The government response to the Task Force report also pointed to the Nitrates Consultation, which closed in March 2012. It pledged that the consultation would consider the Task Force's recommendations on record-keeping, calculations and the catchment-based approach to managing diffuse pollution.
6. The government accepted the Task Force recommendations on environmental consenting and permitting. While it did not accept the recommendation that fly-tipped waste on farmland should be re-classified as household waste, the government set out its intention to identify and champion affordable local solutions to the problem.
7. The government also committed itself to revising the environment permit application forms for pig and poultry businesses so there would be a specific application form for farms. It accepted the Task Force's recommendation that the waste exemptions system be simplified.

8. The government pledged that it would work with the industry to explore the full range of options for the Soil Protection Review with a view to putting new arrangements in place by the end of 2013. As part of this review, the government committed itself to considering how the Soil Protection Review and other industry schemes could be used in earned recognition.

Progress to date

Messaging to farmers

9. Through discussions with the industry and other key stakeholders, Defra agreed the key messages which should be promoted to farmers. These have been incorporated into the renewed Campaign for the Farmed Environment, which will commence in April 2013. The Campaign for the Farmed Environment is a key vehicle for delivering messages on a range of issues, and is funded directly and in-kind by industry partners.
10. **The Implementation Group commends the collaboration between the government and the industry which has resulted in the renewed Campaign for the Farmed Environment, to be launched late in April 2013. We see the Campaign for the Farmed Environment as a key vehicle for delivering consistent, locally relevant messages across all priority environmental issues. This approach demonstrates exactly the sort of partnership working which the original Task Force recommended.**
11. **The Campaign for the Farmed Environment is focussed on arable areas but it is important that consistent messaging is promoted across all farm sectors. Defra and its agencies should continue to review their approach to providing advice to farmers and work with existing private sector advisers to do so.**
12. Defra has also completed an Integrated Advice Pilot to help develop a farmer-focused approach to the delivery of advice which balances farm business objectives with government policy objectives.
13. Defra has signalled its intention to use the current CAP negotiations to seek opportunities, particularly in the Rural Development and Horizontal Regulations, to create more integrated, streamlined and efficient approaches to both the content and delivery of advice.

Water quality

14. Defra published its response to the Nitrates Directive consultation in August 2012. It included proposals on the extension of closed periods on heavier land by two weeks, as well as setting out the government's aim to reflect earned recognition principles in inspection regimes for farmers who have nutrient management plans. It also laid out plans to exempt some farmers from parts of record-keeping requirements if they are on a low-intensity holding.

15. **The Implementation Group recognises that this is a complex issue. We commend the team in Defra for its consultative approach and recognise that some minor changes, for example, the introduction of an earned recognition approach, have taken place. The industry, however, feels strongly that there is a process-based culture of tick-box regulation compounded by a fear of penalties from the EU. We strongly recommend that every effort is made at a strategic level to change the EU agenda and remove the Nitrates Directive, moving instead to a wider approach to tackling diffuse pollution. This approach should embrace the Task Force principles of engagement with local farmers, evidence-based solutions and targeted inspections. We await proposals from Defra on how this change can be achieved.**
16. The government has also established 25 pilot catchment schemes which it will evaluate in order to develop a wider catchment-based approach to tackling diffuse pollution during 2013. A small scheme to test the value of providing business advice to dairy farmers in Nitrate Vulnerable Zones in south-west England will be evaluated in April 2013. Once the relevant issues have been identified, then farmers will be given clear information on what measures they can implement in order to tackle diffuse pollution.

Environmental permitting

17. In response to the Task Force's recommendations about environmental consenting and permitting, Defra and the Environment Agency are taking forward a variety of measures aimed at streamlining the process, for example through the expansion of the Environmental Permitting Programme (EPP). The Water Bill, which will be put before parliament as soon as parliamentary time allows, will enable the EPP framework to be expanded to include consents concerned with water resource management. Work on consenting and permitting is being taken forward as part of the Red Tape Challenge and the government's implementation of the Penfold Review of non-planning consents.
18. New guidance on waste exemptions has been published on the Environment Agency website to make the system clearer for farmers. Work on an environment permit application form for farms is also underway, with completion expected in March 2013. **When this happens it should be welcomed.**
19. **The Implementation Group commends the Environment Agency for working with the intensive livestock sectors and the industry more widely on waste and pollution control. The Agency's effort to work with individual businesses on these measures sets a good example. In principle, the expansion of environmental permitting is welcome; a single interface between regulator and customer offers the potential benefits of trust and flexibility. However, the current EPP regime is not designed with diverse, small-scale farming operations in mind – it is better suited to industrial site-based plant. The Implementation Group recommends, therefore, that the Environment Agency significantly amend its standard EPP approach so that it becomes financially and operationally attractive to more farm businesses than it is at present.**

Fly-tipping

20. Defra is taking action to encourage local government and communities to address the problem of fly-tipped waste on both public and private land. The department believes that there is no single solution for the issue, but that it is best dealt with through the use of solutions developed and delivered by local partnerships. Its view is that the role of central government is to facilitate the formulation and sharing of these initiatives without imposing any particular practices.
21. A ministerial fly-tipping summit was held on 26 July 2012, with a draft Fly-Tipping Partnership Framework forming part of the programme. The draft framework sets out a range of principles and best practice covering the prevention, reporting and investigation of fly-tipping and the clearance of fly-tipped waste. It is available on the Defra website, and a final version is expected in the first half of 2013. In addition, the Local Government Association is considering these issues as part of its Waste Review. It completed a period of evidence-gathering in February 2013 and will be meeting during March to discuss the evidence further.
22. **The Implementation Group sees the difficulties around this contentious issue and is pleased that it has been recognised as a mutual problem for both the public and private sectors. We support the efforts made by Defra and the industry to press new approaches to resolve this serious and costly problem. We urge the government to take every opportunity to promote best practice when dealing with fly-tipping in order to achieve a positive difference for farmers, as envisaged by the original Task Force. We are heartened by the positive approach taken by the Local Government Association to highlight this issue and promote best practice.**

Soil Protection Review

23. Defra commissioned a farmer survey and evaluation in February 2012 to aid a review of the current Soil Protection Review arrangements. The department has received a final report and the results will be published early in 2013. Defra is working with representatives from the industry, research organisations and other interested parties in order to develop future options for the Soil Protection Review. The new arrangements are expected to be in place by the end of 2013.
24. **The Implementation Group supports the view expressed by the Task Force that the current arrangements for implementing GAEC 1 with the Soil Protection Review are a box-ticking exercise which does not relate to outcomes on the ground. The associated penalties can too often arise from failures in process rather than outcomes. We believe soil protection is best achieved by giving farmers responsibility to look after their soils and by taking action against persistent or serious offenders. We question the need for the Soil Protection Review and ask Defra to consider this when developing options for a new soil strategy.**

Section 6: Animal Movements

Task Force recommendations

1. In its report, the Task Force acknowledged the need for robust controls on animal movements in order to prevent serious outbreaks of disease. It recommended that rules on livestock movements, identification and reporting could be simplified, making them easier to understand.
2. Specifically, it recommended lifting the six-day standstill rule on farm-to-farm movements, while providing for approved on-farm separation and isolation for those animals coming in from gatherings. It called for the abolition of Sole Occupancy Agreements and Cattle Tracing Service links, recommending single County Parish Holding (CPH) units which would be up to ten miles in radius. It also recommended that electronic reporting be adopted for all livestock movements.

Government response

3. In its response to the Task Force report, the government said it would carry out detailed risk assessments to determine the effects of any changes to the six-day standstill arrangements, and work towards removing those arrangements for all movements of cattle, sheep and goats for those farmers who choose to introduce separation units. It also indicated that it would consider developing electronic movement reporting arrangements for all species. It committed itself to carrying out detailed assessments of the costs, benefits, implementation and regulatory impacts of the Task Force recommendations on simplifying the rules linking premises.

Progress to date

4. While acknowledging the logistical difficulties in formulating such a system, Defra remains committed to working towards a situation where regulations on livestock movements ensure effective disease control without being too onerous on the agriculture industry.
5. Following the successful deferral of individual movement reporting (which would often have been manual), the introduction of electronic movement reporting for sheep and goats during 2014 should reduce administrative burdens on farmers. The department is working closely with the livestock industry to ensure that the commercial database underpinning this will provide the additional services that the sheep, goat and ancillary industries need.
6. **The Implementation Group strongly supports the proposed changes as we believe the current system of reporting sheep and goat movements is flawed, both in the nature of the regulations and as it is paper-based. A move to electronic movement reporting is not only essential if we are to achieve the best possible regulatory approach, but it is also critical to reducing and managing the risk of disease outbreaks to which livestock are currently exposed. We urge Defra to ensure that an effective electronic movement system for sheep and goats is in place as soon as**

7. While Defra remains committed in principle to simplifying the rules around animal movements, there are a number of challenges which mean that, in the short term, it may not be possible to deliver the full suite of Task Force recommendations on this area. In particular the cost-benefit analysis identifies the need for a complex suite of expensive IT changes to underpin the proposal. The government is currently assessing the affordability of the proposals.
8. **The Implementation Group understands that significant costs are involved in addressing the recommendations made by the Task Force. We strongly recommend that Defra implement the full suite of Task Force recommendations to simplify the livestock movement system as soon as possible. This is fundamental to effectively managing the risks of the spread of a disease outbreak, whilst reducing the overall regulatory burden of compliance to livestock farmers. It will also improve farmer compliance because the rules will be simpler and easier to follow, and will be easier to administer and inspect. We recognise that implementation will be a complex process, and that Defra may need to take a phased step-by-step approach. CPH rationalisation is a vital first step – the recent changes to the Sole Occupancy Authority provisions would have been more straightforward if CPH rationalisation had been implemented first.**

Section 7: The Common Agricultural Policy, the Single Payment Scheme and Cross Compliance

Task Force recommendations

1. The Task Force recommended that the UK government's position at negotiations for the 2014-2020 CAP should focus on outcomes rather than processes, ensuring that the SPS is simplified and that any policy can be implemented effectively without excessive cost. It also urged the government to avoid re-mapping and to use a single map for all CAP schemes. It recommended a number of additional changes to both the SPS and cross compliance conditions.

Government response

2. In its response, the government wrote that it would continue to engage with the European Commission to achieve simplification of the CAP, ensuring that it is sufficiently focused on outcomes and easy to implement. Although the government said that the introduction of a single mapping system for all schemes was unlikely to take place before CAP reform, it committed itself to discussing with farming representatives how best to minimise the extent of any re-mapping required. It also committed itself to negotiate for a number of other changes to the SPS and cross-compliance conditions.

Progress to date

3. Since the Task Force reported, the Commission published draft legislation for the CAP from 2014 to 2020. These involve the replacement of the SPS with a new direct payments regime, including a basic payment, a greening element and other components.
4. The draft legislation and subsequent negotiations mean that the Task Force recommendations now operate at two levels:
 - the improvement of the Single Payment System as it is now but within the existing EU legislation
 - informing Defra's position in the negotiation and implementation of the prospective direct payments regime.
5. It is not possible to pre-judge the final outcome of the current CAP reform negotiations, in which the government is working to ensure that those recommendations which it accepted are incorporated into the new CAP. We await both the settlement of the main CAP regulations and the subsequent EU implementing regulations which will provide much of the necessary detail as to how the new CAP will be delivered.
6. Defra has also completed a review of cross compliance measures looking at opportunities available for making inspection and enforcement more outcomes-focused in order to maintain environmental standards. The results of this review are being used to inform Defra's negotiating position.

- 7. The Implementation Group recognises that the CAP is probably the single largest issue creating a regulatory burden on farmers: the present negotiations are a significant opportunity to alleviate that burden. We are concerned, however, about the potential for the CAP to do the opposite. Whilst we have not been involved as a Group in monitoring the CAP negotiations it is really important that the final settlement gives opportunities for Defra to achieve outcomes that enable a simpler regulatory approach for this country.**
- 8. As stated by the Task Force, the lessons of the English implementation of the SPS in 2005 show the importance of considering policy and implementation together. That means focusing on the implementation burdens of policy proposals, so often not considered until after the event.**
- 9. The Implementation Group was asked to review how well Defra's engagement with the farming industry was working in developing policy positions to feed into CAP negotiations. We are encouraged by the way that the department has taken a partnership approach so far. The negotiations for and the subsequent implementation of the new CAP offer an excellent opportunity for Defra to work with the farming industry on this key policy. We hope that it is one the department will continue to take up.**

Section 8: Recommendations directed towards the Food Standards Agency (FSA)

Task Force recommendations

1. The Task Force recommended that the FSA should move to a system of more proportionate and risk-based meat hygiene controls and inspection, which takes account of earned recognition. It also recommended that consistently competent Food Business Operators (FBOs) should be able to use accredited private sector bodies to provide meat inspection services, and that the FSA should approve and designate these accredited private-sector organisations as control bodies. The Task Force called for a joint industry-official group to consider the criteria for accepting provision of meat inspection services by accredited third parties, and for the FSA to work with the industry to develop trials of innovative inspection arrangements.

Government response

2. In its response to the Task Force report, the FSA accepted the recommendations on the adoption of an earned recognition approach, writing that this would be a key component of its upcoming Compliance and Enforcement Strategy. It also highlighted the work taking place with the EU and other member states to develop new, more risk-based and proportionate controls which can better take account of earned recognition. The FSA committed itself to working with the European Commission and with the industry to explore what controls are needed and who is to carry them out. It wrote that it would consider a persuasive case from the industry, if such a case were made, for the provision of meat inspection services by accredited third parties. The FSA response also discussed the work that it was doing with the industry on trials of innovative inspection arrangements, and pledged to continue with this work.

Progress to date

3. The FSA assures the Implementation Group that it is committed to providing the farming industry with support and advice as it develops proposals for alternative delivery models for meat inspection. It has also undertaken to give full consideration to any such proposals once they are finalised.
4. An initial meeting of a new partnership group with the industry was held on 10 December 2012, discussing, among other things, ideas for the alternative delivery of official controls. The initial outline from the industry, setting out the key principles for an alternative delivery model, was discussed, and the FSA undertook to provide advice and support as the proposals developed.
5. The FSA has applied an earned recognition approach in some areas and has used third party assurance scheme membership to inform risk and risk-based regulation. For example:

- the introduction of an earned recognition approach to dairy hygiene inspections is saving farmers an estimated £1.32m per year;
 - the Primary Authority Scheme is resulting in a reduced burden of inspections for those businesses which have multiple premises falling within the jurisdiction of more than one local authority. The scheme allows these businesses to earn recognition by demonstrating effective internal assurance, data and management systems;
6. The European Commission issued proposals on pig-meat controls in September 2012. The proposals set out a risk-based approach to testing pigs for trichinella, which represents a significant improvement on the current, more burdensome, requirement to test all pigs. They also discuss adopting the visual inspection of all pigs as the default option, with the more complex and time-consuming processes of palpation and incision undertaken only on a risk basis. Further proposals on poultry meat are expected in spring 2013.
 7. The FSA continues to engage with the European Commission on the shape of future meat controls, looking at what inspection tasks are required and who could carry them out. The FSA is discussing the proposals with the industry as they develop at its Current and Future Meat Controls Stakeholder Group and its associated task groups.
 8. A joint industry-government task force has been set up to consider how best use might be made of various flexibilities in the way European legislation can be implemented. Having previously explored how to encourage the take-up of structural and operational flexibilities in smaller and larger plants, it is now examining how meat plants could benefit from reduced attendance of Official Veterinarians (OVs). Presence of OVs could be limited by conducting post-mortem inspection only at the end of the day rather than continually, and for those businesses which slaughter only intermittently. The group is exploring how it might promote this approach to a range of businesses; this should deliver significant savings to meat processors.
 9. The FSA has been working with the industry on trials of innovative inspection arrangements, such as widening the use of visual inspection in various species. A joint industry-stakeholder task force has been established to consider visual inspection for lambs in the context of wider improvements to dressing and inspection procedures. An initial meeting in January 2013 was extremely positive and a number of practical proposals to address these issues were outlined.
 - 10. The Implementation Group recognises the considerable work undertaken by FSA on the various issues above, including the positive long-term agenda with the European Commission to shift and update the whole basis of meat inspections. It would also appear that the FSA is prepared and willing to discuss shorter-term measures to replace publicly run meat inspections with third party accredited private inspections, something the industry is very keen to see. This is encouraging, but the FSA needs to take action. The Implementation Group strongly encourages all parties to drive these discussions on as soon as possible so that a**

new system could be introduced within the next 18 months. We must stress that this is not about reducing the quality or volume of inspections, but rather about ensuring a more cost-effective delivery. It is vital that any ensuing partnership between regulator and industry provides whole-chain assurance and transparency.