

Department for Environment, Food and Rural Affairs

Review of Environmental Advice, Incentives and Partnership
Approaches for the Farming Sector in England

Using Partnership Approaches for Farming and the Environment Policy Delivery

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Introduction

Voluntary/partnership approaches provide an opportunity for government to achieve its priorities working in partnership with industry rather than adding to regulatory burdens or additional budgetary demands for incentives. These approaches are often more flexible, bringing partners together from a range of backgrounds, who can share expertise to produce workable solutions that benefit wildlife and the environment and contribute to the longer-term sustainability of the farm business. Voluntary/partnership approaches will not replace essential regulation which delivers legal requirements, but can work alongside regulation and incentives to add value and embed good practice.

Definition

As a general principle, all non-legislative instruments are voluntary as there is no compulsion to participate, though participation may be actively encouraged and indeed expected. A distinction needs to be made between voluntary agreements and voluntary approaches. ‘Voluntary agreements’ are made at the individual farm-level and are a formal commitment to undertake some management action for any given land area, though they may be part of a national scheme such as Environmental Stewardship. ‘Voluntary approaches’ are negotiated and agreed at the organisational level but are dependent on individual members undertaking actions themselves, whether these are informal or incentivised, which means that organisations have variable levels of influence over uptake. Where voluntary approaches are agreed with more than one organisation the term “partnership approach” is more appropriate. An example of a partnership approach is the Campaign for the Farmed Environment. This document chiefly deals with partnership approaches, though much of the guidance can also be useful for voluntary approaches.

Intended audience

This guidance is intended for policy makers considering how to put policy priorities into practice and will be most useful at the “Develop and Appraise Options” and “Prepare for Delivery” stages of the Defra Policy Cycle. This could also be useful for industry when planning more formalised partnership working with government or developing industry-led approaches.

Purpose of guidance

When there are fiscal constraints and as government is actively seeking to reduce the burden of regulation on all businesses, including farming, partnership

approaches can be used to positively work with farmers and enhance established good practice. As a general principle, legislative and regulatory options should be the last resort after consideration of the full range of delivery approaches on offer.

This guidance builds on a review, as part of the Natural Environment White Paper commitments, of the experience of several existing, successful partnership approaches and is aimed at encouraging more flexible thinking about how policy priorities can be delivered in partnership with industry. This guidance is a practical output from the Advice, Incentives and Partnership Approaches business plan commitment published in March 2013.

Suitability of Partnership Approaches

Partnership approaches are valuable options in the suite of available delivery mechanisms but there are specific circumstances for which they are NOT suitable.

- A key initial question concerns level of compliance. If you already know that 100% compliance is required, for example because the policy you are implementing has a regulatory requirement under European directives or to meet essential targets, then it is extremely unlikely that anything other than a legislative or regulatory basis will be suitable for delivery of your policy. However, it is recognised that partnership approaches can complement regulations where there are mutual benefits in helping to raise good practice over and above the minimum regulatory requirements (and deliver environmental and business benefits).
- Legislation or regulation will almost certainly have a requirement for quite intensive levels of monitoring, enforcement and punishment for non-compliance. Partnership approaches, with their inherently more flexible approach, are not suitable for this type of activity.
- Similarly with issues that require very specific behaviour or actions from participants with little or no flexibility on how requirements may be met. Regulatory or, in some cases, incentivised options may be more suitable. Partnership approaches work best where they can offer flexibility and choice.

However, there are circumstances in which partnership approaches have been used and where they ARE suitable:

- To help develop and pilot approaches which are later converted to a statutory basis, or as an interim measure whilst regulatory processes are being developed. An intervention initially introduced on a voluntary basis can provide lead in time for industry to adjust and to provide real opportunity for joint government/industry development (co-design) of a practical, effective

- Partnership approaches can be used to add value to and build on planned or existing regulatory or incentivised approaches, providing the opportunity to ask individuals to go further than the basic requirements on an informal basis.
- Where 100% compliance, whilst an ideal situation, is not always a requirement, particularly where the policy issue is one of promoting and instilling best practice. Best practice can include voluntary codes of practice and they normally go beyond what is required to comply with legislation/regulation. While there may be commercial advantages for some businesses in adopting them, there could be cost burdens for others.

The five key principles of partnership approaches:

- **Flexibility:** of delivery methods and of choice for participants over how and to what degree they participate.
- **Realistic expectations:** a partnership approach will not get 100% of farmers to participate, and those who do participate will not do so 100% of the time or to any specified standard, meaning less impact and requiring a longer timescale to deliver than regulatory or incentivised approaches.
- **Shared goals, simple asks:** partnership approaches require a common set of objectives, clear identification of motivation and actions to undertake that are simple to understand and deliver.
- **Voluntary:** enforcement and punitive measures are out of scope for voluntary approaches, as they will be a barrier for uptake, although some element of baseline setting, targets, monitoring and evaluation are usually required.
- **Industry-led:** uptake and changing attitudes requires trusted organisations to deliver messages and take responsibility, but there is still a role for government as a partner.

Please also see the accompanying intervention choice flowchart for more detail on when to consider partnership or voluntary approaches (annex A).

Key questions about Partnership Approaches

Is government intervention necessary or is an industry led/partnership approach better placed to deliver?

- Having established that 100% compliance for your policy issue is an aspiration rather than a definitive requirement, it is still possible for Defra to implement policy on its own e.g. through advice. However, adhering to the principle of “government only doing what only government can do” the aim is

to minimise government intervention and encourage and enable industry/stakeholders to take more responsibility.

Is it a message that is better delivered from trusted, recognised sources rather than Defra/Agencies/Environmental bodies?

- Individuals and businesses are more likely to listen to and follow the advice they receive from recognised, trusted, non government sources, particularly where this affects the operation of their businesses. Government advice, on its own, on the same issue may have more limited impacts.

What is it you are trying to achieve? What is the driver?

- Partnership approaches are most suited to situations where goals are well understood and shared between all partners. Realistically, partnership approaches can also be proposed where one side, usually the non government side, has an agenda, usually avoidance of regulation or some other benefit. Approaches born of such drivers can be successful as long as the ultimate benefits are sufficiently shared and the approach is well balanced and managed. The Campaign for the Farmed Environment and the Voluntary Initiative are examples of partnership approaches initially established to avoid unwelcome regulation.

Is there an existing lead stakeholder or group of stakeholders that either are already interested in the issue or who would naturally take the lead?

- The mix of stakeholders is vital to effective delivery. A successful partnership requires stakeholders with leadership and influence who command the respect and trust of their audience. Involvement of third sector organisations (e.g. environmental charities) can add to the balance of a partnership, providing challenge to industry partners but also affirming the integrity of the approach to outside observers. Effective partnerships should involve the key government departments and/or appropriate agencies. Government departments can provide a level of objectivity to a partnership, provide some resources to help focus on public benefits and can be trusted in roles such as mediation and evidence collation/monitoring.

Is there an optimum number of partners?

- Partnerships with very large numbers of constituents can find decision making slow and difficult. In cases where the inclusion of many different organisations is essential, it may be possible to define roles and involve different organisations in different ways i.e. steering group or working group

level, providing technical expertise. Partnerships will normally benefit from a Memorandum of Understanding or Partnership Agreement setting out the basic aims, any targets, the roles of partners and governance arrangements.

What are the existing delivery mechanisms?

- Partnership approaches can add value to existing regulatory or incentivised approaches by increasing the aspiration for delivery (scope, area, quality) beyond basic requirements and promoting best practice, whilst a regulatory base maintains minimum standards. This approach can help offer participating individuals more choice, especially where there is a cost to the business for participation and also provide an alternative where people do not wish to be bound by the, sometimes fairly onerous, requirements of an incentivised scheme. For example, the Campaign for the Farmed Environment targets both choice of the more complex and effective options within Environmental Stewardship, and offers simpler measures for farmers to undertake outside ES. Measures outside of ES can be undertaken on a purely voluntary basis either in addition and adding value to existing ES options, or on their own by farmers who do not wish to join a formal scheme.

How can partnership approaches deliver?

- Partnership approaches are generally best for simple messages, delivered through trusted intermediaries and requiring fairly straightforward actions. More complex 'asks' are probably better delivered through incentivised schemes.
- Partnership approaches can offer real opportunities for local delivery and tailoring of key national messages to meet local needs and priorities and can, therefore, be more relevant for participants.
- Partnership approaches can make available a wide range of existing channels that can be used for delivery, including private sector specialists such as agronomists and farm advisors (representative organisations are often important to have in the partnership) as well as existing local farmer groups and other partner events and communications.
- Recognisable branding, repetition of key messages and regular 'campaigns' are useful forms of delivery approach.
- The correct targeting of effort can significantly increase effectiveness in how partnership approaches deliver. Consider what outcomes you are trying to achieve and who is best placed to contribute. Different sectors may require different approaches to messaging and different delivery options to enable

participation. Large farms may be more cost effective to target and provide more impact than small ones.

- Targeting intervention at the right point in the process can also maximise effectiveness e.g. what part of an industry causes the most damage / has the most opportunity for improvement and at what points can intervention be most effective.
- Like all forms of advice and guidance, - **right time, right place, right measure** – are key guiding principles for effective delivery.

What are the benefits to participants and the motivation to participate?

- Consider what might motivate people to participate or not and tailor messages accordingly. People are more likely to participate if the activity is easy to understand and deliver, no/low cost and fits in with their normal routine or activities. Understand the barriers to participation and seek to address in the design of the approach. If there are negatives it is better to be honest about them and actions to mitigate them. The Campaign for the Farmed Environment encourages farmers to minimise the economic impact of taking land out of production by using poor land or awkward corners for environmental actions, and to proactively manage these areas to maximise benefits for wildlife.
- Sell the benefits – partnership approaches will be more effective if they can demonstrate or be linked to tangible benefits for participants. Depending on the type of individual or business, benefits may include improved public relations, reduction in time/costs, access to niche markets, earned recognition, access to assurance schemes, reduced levels of inspection, access to advice/grants etc. Tried & Tested, for example, encourages farmers to optimise the use of nutrients on land to maximise productivity and minimise waste. This both reduces input costs for the farm business as well as minimising the impact on water resources and wildlife. Private professionals can be engaged through offering benefits such as Continuing Professional Development points for learning (and hopefully then passing on) the key messages.

Are there links to regulation and enforcement?

- Partnership approaches need to distance themselves from any links with inspection, enforcement and punitive action. Concerns by potential participants that they will be inspected and punished if they do not meet requirements will be a significant barrier to participation.

- However, there is some evidence that a realistic “threat” of regulation should the partnership approaches fail to be effective is useful to maintain stakeholder engagement and improve levels of individual participation.

What are the timescales? For development and implementation? For achievement of actions/outcomes?

- Depending on the complexity and the number of partners, partnership approaches can take a long time to negotiate although investment in time and effort up front usually has benefits when it comes to delivery. Once the approach is established, delivery itself can be more flexible and faster reacting than other approaches as there are usually fewer rules. However, actual outcomes can take longer to achieve as the influence of partnership approach is often incremental.

What are the long term intentions?

- If regulation is the ultimate goal, initial partnership approaches can provide lead in time for industry to adjust and to provide real opportunity for joint government/industry development of a practical, effective and widely acceptable regulatory solution. However partnership approaches can themselves provide effective, long lasting solutions as evidenced by some existing examples such as the VI, which has been in operation since 2001.

Are they more likely to result in genuine understanding and behaviour change?

- Partnership approaches can take longer to deliver than regulatory or incentivised approaches, but often have greater impact on a participant’s level of understanding and are potentially more likely to influence genuine long term behaviour change. However, because of their voluntary nature, partnership approaches will naturally appeal to individuals who already have an interest in the issue, and are less likely to influence ‘hard to reach’ individuals.

What are the costs?

- Partnership approaches can often deliver good VFM through sharing of costs and leverage of private sector funding/in kind contribution. However, time commitments can be high for all parties both at establishment and delivery stage and may prove a barrier to effective partnership working if this is not recognised and appropriate levels of commitment made up front. Enforcement costs are a saving as they will not be applicable. Some element

of monitoring is usually required. Good practice suggests that around 5% of the overall project costs could be used to fund monitoring activity.

How will the impact be assessed?

- Measuring the effectiveness of partnership approaches is not straightforward as they often complement existing incentive, regulatory or advice interventions. In this respect it is not always possible to attribute how each activity has contributed directly to the outcomes, especially where inputs are complex and outcomes are often indirect. Single approaches do not exist in isolation and this requires a more flexible approach to assessing the achievement of targets. For example, the Campaign for the Farmed Environment provides messaging that is complementary to incentive-based advice provided through the ELS Training and Information Programme and in this respect it is difficult to identify how the Campaign has, on its own, contributed to meeting ELS targets. The effectiveness of voluntary approaches instead needs to be assessed as part of a consideration of the whole range of interventions to ascertain whether the objectives are being met.
- However, targets and/or indicators of success are essential to provide some kind of basis for monitoring and evaluation of any partnership approaches, particularly those that benefit from government funding, though their limitations, as discussed above, must be clearly understood. Targets can also help provide focus and direction to keep the approach on track, though they should not become the sole focus of delivery. Appropriate time should be devoted to establishing useful, realistic and measurable targets that are agreed by all of the parties at the outset. Targets should not be set in stone where they are later found to be ineffective, but also changing targets later on in a project may be viewed negatively by outside observers. Complete clarity and transparency around all elements of target setting, development and evidence collection is essential.
- Setting baselines at the outset is essential for measurement of future progress. Outcome based assessments require longer timescales and carry problems around attribution. Intermediate indicators of implementation of actions can be good proxy indicators. A combination of different types of monitoring and assessment are probably most useful, using existing data where possible. Annual monitoring is useful for assessing trends and end of project or periodic assessments more useful for outcome based monitoring.

Want to know more?

- Have a look at a process flowchart (annex A) that helps with choosing the right intervention: see here for details on whether a voluntary approach, negotiated agreement or regulation is likely to be the optimum route.
- Look at the detailed case studies on the CFE, GHGAP and other examples from the review in response to the Natural Environment White Paper.
- Discuss with Julia Negus or Tony Pike in Defra's Sustainable and Competitive Farming Strategy team.

Annex A - Partnership Approaches Decision Tree

