

BRIEFING NOTE 1

December 2001

A National Farm Advisory Service: delivering integrated business and environmental advice

Delivering a radical new national strategy for farming over the next few years will require significant assistance from Government. Successful implementation of the strategy will depend critically on the development of a national farm advisory service.

This briefing note sets out the three core components the National Trust believes are needed for an effective and efficient national advisory service:

- A **national network** to coordinate and integrate the currently fragmented range of farm advice providers in England;
- A **free farm advice service** delivered through a public-voluntary partnership; centrally coordinated, locally accessed; and
- **Accredited advisers** who are able to deliver a quality, tailored service and are qualified and trusted to facilitate the change facing the farming industry.

This is based on the Trust's experience of developing and running its own Integrated Farm Business and Environmental Advisory Service which is described in the Annex.

1 The benefits of a national advisory service

Farm advice¹ is potentially a key mechanism to deliver a wide range of benefits:

- Promote good business planning and management across the whole farm – minimise business risk and reduce the need for further regulation
- Information and technology transfer – spreading best practice; transferring knowledge from research to farm
- Support and reinforce the necessary behavioural and cultural shift in the farming sector
- Facilitate cooperative working and new partnerships
- Facilitate and target public spending on the environment and rural development
- Signpost and translate the requirements of the array of Government schemes and initiatives
- Take responsibility for more regional and local targeting of ERDP schemes
- Identify training needs and signpost appropriate skills development options

2 Current advice providers

There are two main public sources of free farm advice: the DEFRA Rural Development Service² (RDS), that administers the various grant schemes under the England Rural Development Plan; and the DTI/DEFRA Farm Business Advisory Service³ (FBAS) that delivers business advice to farmers through the Small Business Service's network of Business Links.

The £20 million FBAS programme runs from 2000-2004 and offers 3 days of free basic business advice to 15,000 farmers. For farmers directly affected by foot and mouth disease, this has been extended to 5 days of free advice.

¹ Throughout this note, 'farm advice' is used in the broadest terms and includes facilitation, extension services, project support, specialist expertise etc.

² Formerly MAFF Farming and Rural Conservation Agency.

³ FBAS is part of the Government's Action Plan for Farming, which was announced by the Prime Minister at the Downing Street farming summit on 30 March 2000.

In addition to RDS and FBAS, there are numerous external providers of information and advice to farmers and land managers in England, in the:

- i. public sector e.g. English Nature, Environment Agency, Countryside Agency, English Heritage, local government, National Parks and AONBs;
- ii. private sector e.g. agronomists, financial advisers/bank managers, consultants; and
- iii. voluntary sector e.g. Farming and Wildlife Advisory Group (the biggest player), NFU, Soil Association, RSPB, National Trust and The Wildlife Trusts.

Public and voluntary sector advice tends to be free (FWAG and NFU charge membership fees) and private sector advice attracts a charge.

3 Problems with the existing system

Recent government investment in FBAS is welcome and provides a useful platform on which to build. However, there are still significant improvements that could be made, not only to FBAS, but to advisory services as a whole. The key problems that have been identified by farmers, advisers and organisations who use such services include:

- i. No 'first port of call'
It is not clear to farmers where or who they should go to for advice on different aspects of the *whole* farm business, particularly relating to environmental management, or for advice on the wide range of grant schemes.
- ii. Quality lottery
It is down to chance whether farmers get good or bad advice. There is no way of guaranteeing that advisers have the requisite skill, knowledge or experience to give accurate, balanced advice.
- iii. Fragmented
There is little coordination between advisers within the statutory sector and none between sectors. The absence of a strategic approach results in missed opportunities and duplication of effort, as farmers' might receive multiple visits on similar issues whilst the rest of the business is neglected.
- iv. No whole farm approach
There are few advisers with the ability to take an integrated approach, combining both the business and environmental potential of the farm i.e. generalists. Outcomes of advisory visits too often reflect the narrow interests/background of the adviser.
- v. Inconsistent and contradictory
There are no clear communications routes for transmitting official guidance, information on grant schemes and initiatives, best practice examples etc.
- vi. Not proactive
The timing of advice needs to be improved. Too often advice is given once a problem has got out of control or applied for once an opportunity has passed. There is a need to apply advice at early stages in decision-making processes on farms. Advisory services needs to be integrated with other policies and processes that impact at farm level.

4 A new approach to developing a national farm advisory service

Through experience of running its own service (see Annexe), the Trust has identified a number of related components for the future effective and efficient delivery of farm advice.

4.1 A national advisory network

The co-ordination and integration of different advice providers would make a big difference to both farmers and Government. The establishment of a national advisory network would provide a mechanism to harness the efforts and investment of all advice providers, creating a pool of expertise that collectively is greater than its individual parts. It would also help to identify the gaps and duplication in advice provision.

The core of the network would be based on a better integrated and refocused FBAS and RDS, but would also include advisers from the rest of the public sector, and the voluntary and private sectors.

A national network would need central coordination, but would be delivered most effectively at a local and regional level. It may be necessary to develop a new agency, reporting to DEFRA, to co-ordinate the overall network and operate the gateway service.

The network would be accessed by farmers through a 'first port of call' telephone and website service e.g. 'Farm Advice Direct'. The network would perform a series of functions:

- A directory of advisers: searchable by registered status (see below), expertise, organisation, geographical location, services, training etc. This should include all sectors - statutory, private and voluntary;
- A farm business information service; and most importantly
- A gateway to a free farm advice service.

4.2 Free Farm Advice Service

4.2.1 How would it work?

In applying for their free advice, farmers should expect to also provide some basic farm business information through a short and simple environmental and business audit. IACS data would ideally be used, but there are confidentiality problems from the Data Protection Act with making this information available to advisers.

An adviser from the network gateway would process the initial application, undertake a **rapid preliminary assessment** in order to signpost the farmer to the relevant adviser.

In the first instance, this will involve **assigning each farmer with a general adviser from their locality who will remain their key contact**. This approach will provide consistency, help develop trust and a good working relationship between farmer and adviser. Assigning an adviser who is a generalist is important as they will be able to take an integrated whole farm approach, including both business and environmental planning and management.

Access to a specialist adviser for help with e.g. a farm waste management plan, a Rural Enterprise Scheme application, setting up a farmer cooperative or developing an organic conversion plan, could come through two routes, either **through referral from a general adviser or direct from the gateway**.

The **free service should reflect the public policy objectives in the new national strategy for farming**. This should include much more than is currently available through FBAS and RDS e.g. resource protection advice. However, the priorities will change and the types of free advice are unlikely to stay the same throughout the transition period.

The integration, coordination and signposting of advice through a national network will help create a **more flexible and efficient system for allocating advisers' time**. Greater preparation and back-up support will help make farm visits more targeted, delivering a real added-value service, tailored to individual needs.

An **advisory toolkit will need to be developed** to support service delivery. Two of the key components will be **guidance on a whole farm approach** and an **accurate Geographical Information System**. A GIS should make available to advisers information on soils, water catchments, land uses and designations, countryside character/natural areas etc. that is

currently scattered amongst different agencies and is very difficult to compile for each farm. Farm advisers would of course be just one customer of such a system.

Where a particular service is not available for free, the network gateway should still be able to signpost the farmer to local sources of advice from the private sector.

4.2.2 How would it be delivered and funded?

The demands of delivering free advice in the forthcoming transition period are likely to far outstrip the resources currently available to Government. If the public sector is to supply an effective service, it will need to recruit and train additional advisers and inject a large amount of extra funding. For example, if the current FBAS programme was extended to support half the farmers in England, it would cost £100 million extra.

A public-voluntary partnership would offer an alternative approach that should provide greater value for money than a fully state-delivered system, due to the additional investment and expertise that would be brought in to match the increased Government spend. Through this partnership, **Government would devolve responsibility to other organisations to help deliver its objectives.**

Partner organisations in both the public and voluntary sector delivering free advice would have to be **licenced by Government**. A contract would set out **minimum service delivery requirements** (quality and targets). In return, Government would make a contribution towards employing registered farm advisers. Those organisations that shared Government objectives and were already delivering them in part would be most likely to join the partnership.

Whilst the **private sector would not be licenced to deliver free advice** (due to conflict of interest), consultancies, agronomy and financial services organisations would remain an important part of the overall advisory network. They could also contribute to network running costs by being charged a fee to advertise on the network directory.

There are several options for funding access to the service. The simplest way would be to **allocate farmers with advice 'credits' annually** through the IACS process. These credits could either be used completely at a farmer's discretion on any part of the free advice service. Or, the credits can be allocated to various parts of the service e.g. one day for a farm waste adviser and the farmer can pick and mix from the menu. Or, free advice could be made conditional on e.g. access to entry-level agri-environment scheme, access to the ERDP project schemes. Or a combination of the three. Additional credits could be available for farmer group applications to incentivise collaborative approaches and the development of cooperatives.

Once an annual allocation is used up, a farmer would have to pay for additional advice. The annual allocation to individuals and at a strategic level would depend on how the Government wanted to phase the implementation of its new strategy. There should be flexibility to 'load' credits in different farming sectors according to when they would most need advice i.e. match allocation to rate and type of restructuring.

4.3 Accredited Advisers

The key issue for publicly-funded advice is quality control. Government would need to be confident that it was getting value for money. Both farmers and Government also need a guarantee that advice is as accurate, consistent and objective as possible.

The most pragmatic way to achieve this would be through accreditation. Any farm adviser delivering free, publicly-funded advice would need to be officially registered by an

independent body set up to oversee the accreditation. Registration should be based on meeting minimum standards to be developed by Government, in consultation with partner organisations.

This would be the key assurance measure for Government in licencing other organisations to deliver free farm advice on its behalf e.g. National Parks, FWAG, National Trust. Their advisers would have to be accredited.

Registration also offers experienced farmers, especially those wishing to farm part-time, the opportunity to become paid-up advisers, allowing them to develop a consultancy practice which would be a valuable form of diversification.

An independent accreditation body would provide an important mechanism for improving the skills and knowledge of advisers. Training is urgently needed to develop a network of general advisers, starting with those already delivering the free advice through FBAS.

Registered advisers from all organisations would be brought together through the advisory network. The network's communications infrastructure would offer an easy and effective route for Government and its agencies to disseminate latest guidance, changes in regulation and new standards to the whole advisory community. It could also be used to share best practice in land and business management. The communication should be helped both ways, as advisers would also be able to use the network to feedback to Government on how schemes are working, propose solutions to overcome problems etc.

General Practitioners - a potential model for farming?

The current situation with farm advice reflects the historic isolation of agricultural policy and practice. It is therefore useful to consider what works elsewhere: the general practice service of the NHS offers an interesting parallel. GPs are qualified through official training courses. They are 'governed' by the General Medical Council. This qualification and monitoring earns the trust of Government, who mandate them to deliver a general advice service to patients. In return, GPs are paid by the state. They are a local first 'port of call' for the public who are assigned an individual doctor as their personal adviser. If patients need further assistance, GPs either refer them to a consultant or signpost them to a different part of the health service e.g. X-ray, ECD test. These specialist services are more centrally concentrated.

5 Moving Forward

Finding imaginative solutions to the challenge of ensuring that publicly-funded advice is accessible, of high quality, consistent, independent and affordable is achievable. There is a high level of interest and willingness amongst partner organisations to try new approaches to delivering farm advice.

It would be easy to suggest re-nationalising ADAS, However, there are perhaps other options that would be more cost-effective, flexible and sustainable in the long term. We recommend that the Policy Commission examines the approach outlined in this paper and we urge that high quality, integrated and independent farm advice is given the highest priority in its recommendations.

6 Beyond Farming

The approach outlined in this briefing is based on the needs of farming businesses and the interests of the Policy Commission. In NT's experience however, an equivalent service is needed by the wider rural business sector. There is a strong case for the advisory network not to be exclusive to farmers, but to target a broader business audience and include other

key players like Business in the Community, Learning and Skills Councils, other sections of the Small Business Service etc.

Annexe

National Trust's Integrated Farm Business and Environmental Advisory Service

Following the development of its Agriculture Policy in 1999, the National Trust (NT) was faced with a significant challenge in implementing a step change in the management of its farmed estate. The Policy confirmed that farming was not just about providing funds for the charitable activities of the organisation. It explicitly recognised that the environmental, social and economic health of rural areas needed a new approach to farming that embraced its wider services and benefits beyond food production. This required a cultural, behavioural and practical change by tenants and NT, based on a new partnership approach to land management. NT recognised the need to invest heavily in the transition period that was likely to last at least a decade.

NT Farm and Countryside Officers

It was clear that high quality advice would be needed to facilitate this change. The privatisation of ADAS in 1997 left a limited range of options in external providers. NT therefore took the decision to employ 12 Farm and Countryside Officers (FCOs) at a regional level across England and Wales to provide tenants with free advice, to facilitate new ways of working and to target financial support. They act as a 'first port of call' for tenants. These advisers are generalists, having expertise in both environmental and business matters associated with rural land-based businesses. This integration is important, as the environment provides the asset base of the farm business and is critically affected by farm management decisions.

FCOs work with tenants to draw up whole farm action plans that aim to set farm businesses on a more sustainable footing. With 700 whole farms in its care, NT prioritises those with:

- High risk of environmental problems;
- High potential for environmental gain;
- Tenant enthusiasm for a new direction for their farm business; and
- New tenancies where a fresh start is possible.

This forward planning process commits both the tenant and NT to short, medium and long term actions. It is a vehicle to share good practice in land management, embed agri-environment schemes into the core farm business, optimise the potential of the farm business through diversification and identify capital investment needs.

The plans often flag up the need for further specialist advice, so NT also employs experts on farm waste management, agronomy, organic conversion, detailed business planning and soil/water management. These advisers operate at a national level.

The programme has only been going 2 years, so NT is in the process of evaluating the first phase of work. The results to date have convinced the organisation to commit further resources for the longer term: the FCO posts have just been made permanent. In 2001, NT spent £2 million on its farm advisory and whole farm planning programme.

The advisory service 'model' NT uses is probably unique in the UK. Whilst the detailed mode of operation is specific to the organisation, the core principles behind the service are applicable to the wider land based sector. In addition, the lessons learned in the development and operation of the service has highlighted the potential public policy options for a national advisory service.