

Inclusive Economy

The Rural Economy - Our Considerations

1. Issues and Opportunities

- 1.1. The importance of food production, food security addressing externalities associated with agriculture and supporting high efficiency farming are recognised by the Government, as summarised in section 2 below. The City Region's rural economy includes around 320 agriculture, forestry and fishing businesses and 1250 associated jobs which produces £100m GVA per year. When compared with the North West and nationally these figures do not indicate a high concentration of jobs, businesses or GVA in this sector. However, the City Region contains a notable amount of best and most versatile agricultural land. Agricultural land classed as grades 1, 2 and 3 is set out in Figure 1.

2. What is the Spatial Development Strategy required to do?

- 2.1. The [National Planning Policy Framework](#) sets out that planning policies should contribute to and enhance the natural and local environment by: protecting and enhancing soils (commensurate with their statutory status or identified quality in the development plan); recognising the wider benefits from natural capital and ecosystem services - including the economic and other benefits of the best and most versatile agricultural land, and by preventing development from contributing to, being put at unacceptable risk from, unacceptable levels of soil pollution. The NPPF also sets out that planning policies and decision should recognise that some undeveloped land can perform many functions such as food production. The 'best and most versatile agricultural land' is defined by the NPPF as land in grades 1, 2 and 3a of the Agricultural Land Classification.
- 2.2. The Government's [25 Year Environment Plan](#) includes goals and policies related to reducing emissions and pollution associated with agriculture and food supply chains, sustainable soil management, and ensuring food is produced sustainably and profitably. In a global context, the Environment Plan identifies a need for resilient and sustainable food production, noting that climate change and the deterioration of natural environments are prime drivers of poverty, food insecurity and instability and can trigger conflict and migration. Whilst national emissions

associated with agriculture are 16% below 1990 levels¹, no progress has been made in agriculture emission reductions since 2008.

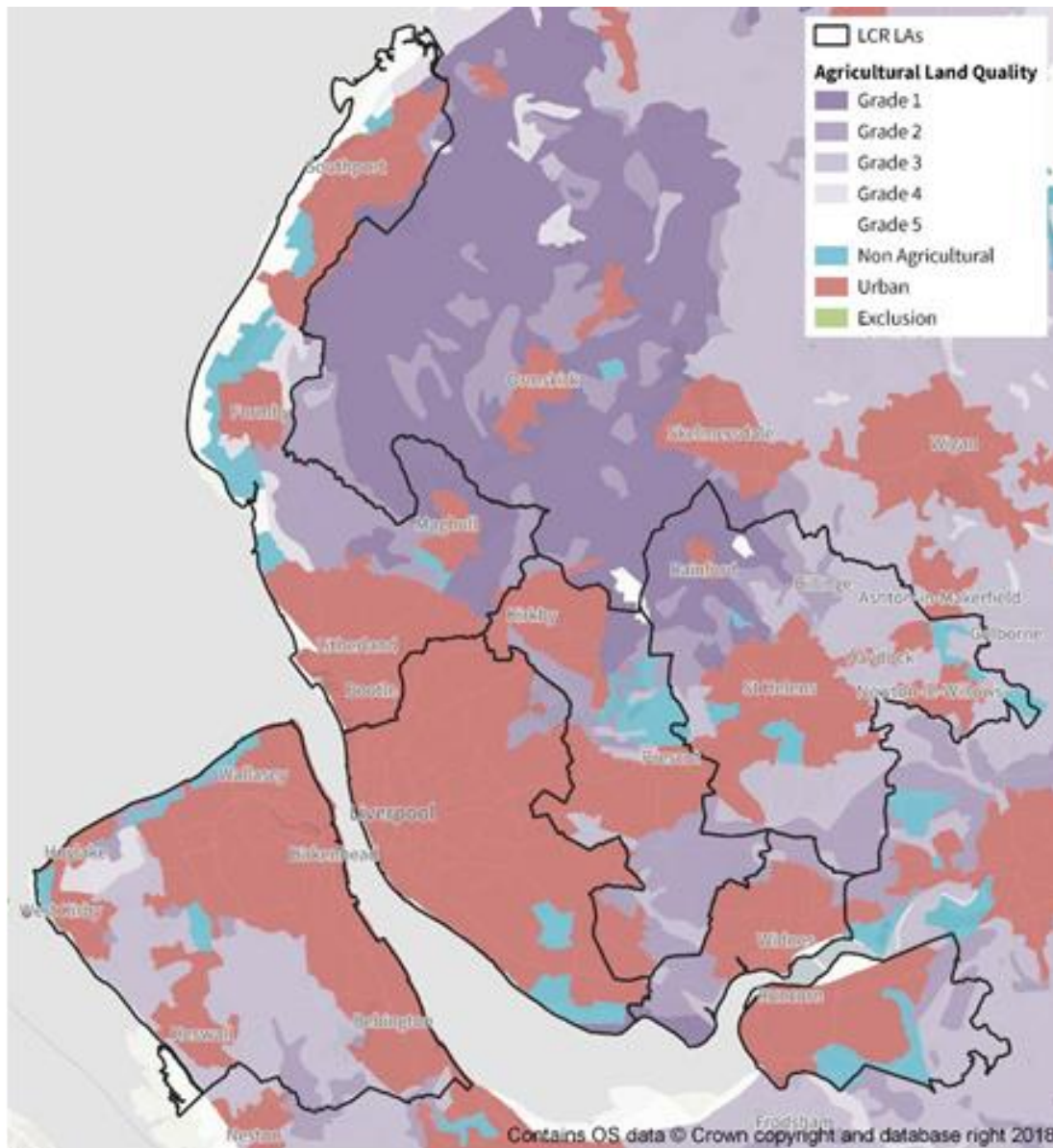


Figure 1. Liverpool City Region Agricultural Land Quality.

2.3. Furthermore, under the Grand Challenge of clean growth, the Government sets the aim to put the UK at the forefront of the global move to high-efficiency agriculture in its [Industrial Strategy](#). This in part is in recognition of the rising global demand for food and water which is increasing the need for agriculture to produce more

¹ Reducing UK emissions Progress Report to Parliament, Committee on Climate Change, June 2020.

from less and the role precision technologies can have in transforming food production whilst reducing emissions, pollution, waste and soil erosion.

- 2.4. [Part One of the National Food Strategy](#) details some of the wider implications to the food system (such as food insecurity, diets and hunger levels) as a result of COVID-19, alongside some of its wider negative externalities, such as pollution and biodiversity loss. Indeed, the proposed requirement in the [emerging Agriculture Bill](#) for the Secretary of State to prepare a report for Parliament relating to UK food security at least once every five years highlights the growing importance of food security. In addition, the February 2020 [Farming for the future: Policy and progress update](#) indicates that the Government are placing importance on food production and food security.

3. What is being done by the Combined Authority?

- 3.1. The Mayor's Manifesto notes that liveability and environment are increasingly key differentiators in determining how places are seen and how attractive and desirable they are. It also cites a need to ensure that the City Region is at the forefront of environmental conservation and sustainability, including safeguarding our natural assets.
- 3.2. The role locally sourced goods and produce that reduce food miles is acknowledged as having a role in reducing freight emissions in the City Region [Interim Air Quality Action Plan](#).

4. What you told us

- 4.1. During our previous engagement, 'protecting agricultural land' was a tag frequently included in responses. More detailed responses highlighted a concern around protecting best and most versatile agricultural land to protect food security for future generations, and challenges to agricultural land (due to climate change and increased risk of flooding). The need for policy to recognise the importance of food production, balanced against the need to allow nature to thrive, reduce climate impact and increase accessibility in rural areas was also raised

5. How we could respond

- 5.1. Uncertainties are associated with the UK's exit from the European Union and COVID-19. We also note the aspiration for farming to achieve [net zero greenhouse gas emissions by 2040](#) set out by the National Farmers Union. These factors, in combination with the plans and strategies noted above, have informed our initial view that a rural economy policy approach in the SDS that helps improve food security and support clean growth could bring economic and environmental benefits.
- 5.2. One way of addressing the issues identified above could be by further protecting the best and most versatile agricultural land in the City Region. We will be gathering further evidence to establish whether the SDS should offer protection to the best and most versatile agricultural land in excess of that set out by the NPPF. If justifiable, the SDS would set out a strong presumption against the loss of such land. A suggested SDS rural economy policy is set out below:

To enhance food security and reduce food miles by protecting the best and most versatile agricultural land in the City Region.

- 5.3. We note that the [Government's Planning White Paper](#) proposes a move towards a map and rule based approach as opposed to vague statements of policy, and use of renewal, growth and protection areas. Subject to underpinning justifying evidence, the above suggested policy approach could potentially be further developed to be consistent with these proposals.

6. Which Objectives will this approach help to achieve?



Delivering an Inclusive Economy



Tackling Climate Change and creating a greener City Region



Addressing health inequalities and creating a healthier City Region

7. How can we make sure this approach would work?

7.1. To ensure the suggested policy approach works, we could use monitoring indicators around the following areas:

- The amount of best and most versatile agricultural land in the City Region; and,
- Carbon dioxide and greenhouse gas emissions associated with agriculture in the City Region.