Report of the Advisory Services Working Group

Background - membership and relationship to other groups and future consultations

1. The Advisory Services Working Group was established in April 2012 with membership as set out in Annex 1. It met on three times – on 17 April, 10 May and 25 June.

2. The analysis, proposals and conclusions drawn from this report will be submitted (via the SRDP Program Manager) to the CAP Stakeholders Group, the Service Design Committee, the Future CAP Steering Group and CAP Strategic Board. This will inform advice to Ministers about the future program, and development of a full public consultation paper, which is expected to be launched in early 2013.

3. The group was not asked to carry out its own separate consultation exercise, but to use the knowledge of individual members of the group to help inform development of the wider consultation to come.

4. The group sought to keep aware of emerging thinking of the other SRDP Working Groups through feedback from the Chair and access to the other groups’ documents on the website.

5. The group began by discussing and agreeing the remit given to it:

Objective

6. To identify a shortlist of viable options for the provision of rural advice which will add value to rural Scotland under the Scotland Rural Development Programme.

Scope

7. To meet this objective the group was asked to:

- Assess the provision of advisory services linked to delivery of the current SRDP; identifying gaps and opportunities; and mapping out advisory service activities and outcomes that will deliver public good and contribute towards the Scottish Government’s principal aim of promoting sustainable growth under the new Rural Development Programme.

Key tasks

8. The group’s eight specific key tasks were to:

- Stock check the current rural advisory services;
- Carry out a gap analysis and identification of future preferred state;
- Identify constraints and interdependencies;
- Identify a long-list of potential options;
- Discount obvious non-runners;
- Carry out an evaluation of remaining options – SWOT and PESTLE analyses;
- Build an evidence base to support short-list of viable options; and
- Present a shortlist of options for delivery of a cost efficient and effective advisory service that supports value-chain activities linked to delivery of a new Rural Development Programme.
9. This report is structured around the key tasks listed above.

Current rural advisory services

Scottish Government Veterinary and Advisory Services Programme

10. At present, the Scottish Government provides a wide range of advice through its Public Good and Veterinary Advisory Services. These are delivered by the Scottish Agricultural College, but on a generic free basis. This service has been in place since the 1990s and has developed over the years to meet changing priorities but also and, crucially, to satisfy current EU regulation.

11. The cost of the Public Good Advisory Services is £2.8 million per year. The service has 2 elements, the generic advice on a wide range of public good issues and a remote area allowance.

12. The generic advice covers a wide range of public good issues such as

- Rural Diversification
- Food Marketing
- Organic Farming
- Farm Woodland
- Conservation and Biodiversity
- Crop Health
- Pollution Control
- Climate Change

13. The Service also provides economic and other information to Scottish Government, to inform policy in these areas. Most importantly this service delivers the EU farm advisory service (which provides advice on cross compliance requirements in a dedicated website). The areas covered and associated budgets are reviewed each year to reflect changing priorities. For example there is a new activity providing assistance to New Entrants into Farming.

14. Advice is delivered through a variety of mechanisms, including web sites, newsletters, leaflets, press notices, telephone help lines, seminars and other group events.

15. The remote area allowance is an allowance paid to SAC to enable SAC to maintain its network of regional offices in remote areas, thus enabling farmers and crofters to have access to the same advisory services as those in more accessible areas. This funding ensures that the generic public good service is available throughout Scotland. It also provides crofters with a subsidy (up to 60%) towards the cost of SAC’s subscription service for commercial use.

Whole Farm Review Scheme

16. The Scottish Government funds the Whole Farm Review Scheme, up to £550K per annum. This provides subsidised access to professional farm business advice. It provides an overview of the whole farm business. This involves undertaking a SWOT analysis to identify the key issues facing the business and the development of an action plan of practical measure to address these. It also offers an additional grant to enable access to more specialised advice which might be needed to carry out any of the identified actions. The scheme is delivered by accredited advisors and so far 2,500 farmers have benefited from the scheme.
Additional Advice

17. In addition, farmers can access a range of additional sources of advice. Some of these advisory services are specific to farmers and some available to all businesses. For example, advice is provided through the Enterprise networks, Business Gateway and other public and private bodies such as SEPA, SNH, the Soil Association and SAOS. In some cases SG support these services e.g. with grants through the Skills Development Scheme. A detailed analysis and mapping of the full range of advisory services and current advisory capacity was considered to be beyond the scope of the remit of the Advisory Working Group but could potentially be taken forward as a separate research project, such as a CRF bid.

Current EU Advisory Proposals

18. A summary of the requirements of the draft European regulation is available at Annex 2. As currently drafted, the EU advisory proposals require member states to offer tailored, one-to-one advice to individual farmers on a wide range of cross compliance, climate change, biodiversity, sustainable development and other issues. They also require member states to put delivery of the advisory system out to competitive tender. There is a requirement for a separation between advice and control and to ensure access to advice reflecting the specific situation of the relevant holding.

Gap (SWOT) Analysis

19. A SWOT analysis (Annex 3) was undertaken of the current advisory provision.

Strengths

20. The group acknowledged that there were different sources of advice available and that the coverage was generally fairly good. Scotland is a well connected country. There are advisors around which are trusted and have the right skills for the job. There is particular support for the FBAASS system and the current whole farm review scheme. It is also acknowledged that there currently is separation from the Scottish Government in relation to advice.

Weaknesses

21. There was too little advice and it was too fragmented. There were not enough trained advisors and silo advice tended to be given on such things as nutrition and renewables. There are still the 20% who are the neediest for advice which don't come forward. We are suffering from the loss of Farming Wildlife Advisory Group and the loss of advice that SNH and FCS used to provide. There are not enough skills providers.

Threats

22. There are not enough technical advisors around. Money goes to the advisors rather than the farmers, although it is acknowledged that this helps satisfy accountability and audit requirements. There is not enough money available for a suitable advisory system. There is a risk of one dominant player establishing a monopolistic competitive advantage and a resultant potential loss of trust.

Opportunities

23. There would be great benefit in having a one stop shop. General Practitioners would be the initial contact followed by targeted advice. Only accredited advisors should be used. Public and private sector advice could be more joined up. Advice could deliver both public and business benefits (not only SRDP). Business advice should be market lead. There could be better cohesion and integration. Skills would be developed for the future. Delivery could be targeted by topic/region.
Evidence/research

24. During its considerations, the group were provided with an in-sight into existing and proposed related research and models. Links to these papers are at Annex 4 as well as some other relevant links.

The effect of advice on influencing behaviours

25. The group was interested in identifying evidence on the impact of advice on farmer’s behaviour. Angela Hallam presented a presentation on Agriculture and Climate Change, Evidence on Influencing Farmer Behaviours. There were a number of key messages. Getting farmers to act requires a combination of approaches. Communication with farmers is a two way process and depends on trust. Farmers value a focus on local issues, challenges and solutions. It is important to target groups of farmers based on individual characteristics, farming styles etc. Focusing on business benefit alone is unlikely to achieve sustained behaviour change in relation to climate change mitigation.

Models in other countries

26. The Group heard about the French model, which has its basis in the form of local networks (agricultural chambers). The system is very regionalised, though not every region has a chamber. The Farm Advisory System is restricted to cross-compliance and delivered mainly through one-to-one advice. While the advice can be free, the farmer may be expected to pay a contribution depending on local chamber policy. The system is funded through a combination EU, farmer and local contributions. Advisers are funded by the state.

27. The Group also considered the Welsh Farming Connect model, which provides one-to-one support, providing up to 80% funding towards the eligible support costs. The level of support depends on the advice sought e.g. cross-compliance, whole farm plan etc.

28. The group agreed such models are a significant change from the current Scottish delivery model and that additional finance would be required to support this type of approach.

Working Group Members Papers

29. Janette MacDonald (SEPA) presented a paper on SRDP advisory needs to meet the Water Framework Directive objectives. Scotland has ambitious water quality targets and a key way to achieve this is through the SRDP. Uptake has been poor probably due to the lack of targeted one to one advice in priority catchments. SEPA support the model of generalists supported by specialists (members were directed to Defra’s Catchment Sensitive Farming initiative as a working example).

30. SEPA would prefer to see a tiered risk based approach to advice delivery. One-to-one advice should be delivered in priority areas which cover Scotland’s most important waters for recreation, drinking and conservation. Outside of priority areas, advice would be targeted in the form of workshops demonstration farms and awareness raising.
31. SEPA consider that one-to-one advice should be pre-requisite for funding from RP (or its successor). Advisory support would supplement SEPA’S approach in the priority catchments where visits to land managers focus mainly on compliance with regulations. SEPA would identify what type of advice is required where and use the new advisory service to target appropriate advice e.g. nutrient management and soil structural advice in the River South Esk which is currently failing to meet WFD and Natura objectives. Estimated costs for this advice are some £1.2 M double the initial estimate due to the lack of delivery in the first SRDP.

32. Marie Pages-Gold presented a paper on proposals for an agri-environment public advisory programme. The essential elements would include:

- Free group/one-to-one advice and specialist plans for higher conservation priorities (designated sites, WFD) and other national priorities in targeted areas;
- A programme of free workshops and guidance on cross-compliance and greening and national priorities outside targeted areas (similar to the objectives of the current Veterinary Advisory Service AS – AA313 delivered by SAC);
- Support for whole farm reviews (in a new Land Managers Option);
- Free administrative and technical support for SRDP applicants (along with a general simplification of the application system - Ideally applicant should be able to complete an application without advisors’ support, except when specialist advice is required beyond their area of expertise);
- Opportunities for facilitation costs to be partly reimbursed for successful collaborative applications to the new RP scheme; and
- A network of accredited advisors.

33. Grant Moir presented a paper on the National Park Model. The National Park Authority has 2 land management advisers. These advisers are pro-active and facilitate delivery of projects that deliver the National Park Plan outcomes. These land management advisers are supported in 2 ways. Internal staff support is provided from an access adviser, landscape architect, ecologist, woodland officer, planners, tourism adviser, water environment officer etc. External support is provided through call off contracts with SAC Consulting (business and farm business advice), Eamonn Wall & Co. (forestry advice) and Lockett Agri-Environmental (agri-environment advice).

34. Grant’s view was that something similar could be rolled out over Scotland. Level 1 Land Management Advisors would be employed by the public sector to provide targeted advice and make things happen in the right place to meet national and/or regional priorities. These could be area based teams with a mix of appropriate skill sets already available in organisations. Level 2 would be specialist advice targeted on achieving priorities identified by land management advisors in land-use or similar management plans or through bespoke project development. This could be provided by a range of private advisers (SAC, Bidwells, NGOs) and be tendered for. A very rough high level estimate of the cost of this rolled out over Scotland suggests a cost in the region of £22M per annum.

35. Andrew Midgley presented a paper on the current advisory capacity and sought to identify gaps. His work identified that specialists would seem to be relatively scarce. Most SAC advisors appear to be generalist farm business advisors. Agri-environmental advisors also appear to be small in number (but there may actually be enough for current demand). There is no real ‘advisory service’ in forestry as this sort of service tends to be covered by a combination of engagement with FCS and forestry companies/woodland NGOs. Most face-to-face contact is probably at the more commercial end of the spectrum.
36. Andrew identified that there is a gap between the guidance from the government/agencies and the commercially available advice. This gap is currently populated by either a small resource from the NGOs or web-based exercises. There is a possible issue in the type of advice provided. Is most advice actually about private gain? Possible gap = public good advice? To some extent the market will fill the gaps because there are companies that will provide advice and they will react to need, but this advice is most likely to be mainly about private gain because public goods, by definition, do not produce economic returns to the individual seeking the advice.

**Conclusions, proposals and recommendations**

37. During the final meeting 3 break out groups were tasked with scoping out a shortlist of options for delivery of a cost efficient and effective advisory service that supports value-chain activities linked to delivery of a new Rural Development Programme. The 2 potential models of advisory services preferred by the group are detailed below. There was remarkable similarity in the preferred model between all three groups.

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**Model 1**

- A ‘One-Stop-Shop’ model that offered an on-demand” service with both generalist and specialist expertise available. The service would carry provision for both free and payable advice depending on the type of advice sought. The service could be proactive by, for example, assisting with the roll out of new initiatives. This element would be free. Modelled on a regional basis, it would be staffed by existing government and agency resources with call off contracts let to private accredited specialists. There would be a large role for the public sector. There would be a need for culture change with the establishment of Chinese walls between groups giving advice and groups responsible for enforcement/verifying compliance.

**Model 2**

- A ‘Hub and Spoke’ with the hub either resourced entirely by the SG and its agencies or at least containing a public sector element offering more general (free) advice and controlling the budget for delivery of advice through third parties. It is envisaged the spokes would offer more specialist advice from a combination of private accredited advisers, NGOs and other public sector bodies. A cost to access this advice would be expected. Again the model anticipates distribution on a geographical basis but possibly on a sectoral basis. There is still support for the Whole Farm Plan but this could be conditional of public support. The Whole Farm Review needs to focus more on specialist advice.

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38. The added value of these models was acknowledged. In relation to SRDP applications it is envisaged that there would be better more informed proposals, fewer errors and financial and other savings would be expected to arise as a result. It would also ensure that delivery of targeted efforts and improved outcomes. It would be envisaged there would be a better buy-in from customers and others. It was anticipated that these models would increase the likelihood of delivering sustainable land-use policies throughout Scotland and that the use of public money in this way would deliver best value for money and achieve the maximum public benefit.
39. The development of either of these advisory models would further the government’s purpose to make Scotland a more successful country, with opportunities for all to flourish, through increasing sustainable economic growth. Also good advice would add to the Scottish Governments strategic objectives, strategic priories and national indicators.

40. Advisory capacity and provision has been consistently raised as a major issue for next programme, backed by findings from Cook and the Mid Term Evaluation. Added to this are the provisions within the draft proposals at article 9 (1) (c) (vi) which state that the RDP will demonstrate that measures have been taken to ensure the availability of sufficient advisory capacity on the regulatory requirements etc.

41. We need to identify an advisory service that is fit-for-purpose and addresses the failings and shortcomings of the current service level provision. In doing so we need to have regard to the value chain as a whole and be minded of the importance securing an approach that focuses on outcomes, whilst achieving the right balance and securing value-for-money in the delivery of public services. Affordability will rightly be a key consideration and a detailed calculation of the likely cost of a service suggested by the EU proposals has yet to be carried out. However, on the basis of the draft regulation the cost could reach c€30m (€1,500 per advice times c20,000 farmers).

42. A requirement for the consultation will be to comment on the proposed scope of the advice that will be offered. That is, where the balance might lie between advice in areas of pure public interest (avoiding pollution, promoting agri-environment measures etc) versus areas where the benefit is to the business (improved performance, helping farmers avoid cross-compliance penalties), while accepting there is a crossover between the elements.

43. The EU advisory group has worked very well as a group and there is unanimous agreement that this group should continue and meet in the future. The main task going forward for this group will be to put further work into how the preferred model will be set up and operate and also try to define the costs of this service.

Land Tenure & Rural Business Development
Scottish Government
July 2012
Annex 1: Membership of group

SG
Gordon Jackson
Anna Murray
Peter Begbie
Billy McKenzie
Peter Johnston
Jo O’Hara
Katrine Feldinger
Martin Morgan

Stakeholders
Andrew Midgley (Scottish Land and Estates)
Colin MacBeath (Highlands & Islands Enterprise)
Sandy Ramsay (Scottish Agricultural College)
George Jamieson (National Farmers Union Scotland)
Ian Mathieson (Scottish Council for Voluntary Organisations)
Grant Moir (Loch Lomond & the Trossachs National Park)
Janette MacDonald (Scottish Environmental Protection Agency)
John Thomson (Scottish Environment LINK)
Marie Pages-Gold (Scottish Natural Heritage)
Chris Bailey (Royal Society for the Protection of Birds)
Steven Varwell (Scottish Natural Heritage)
Annex 2: Summary of Draft EU Regulation on Advisory Services

- One or more designated bodies (public or private);

- RD funds – up to €200,000 per 3 years for training advisers
  - up to €1,500 grant to farmer “per advice”

- To cover at least (advice to farmers to include at least one of the following):
  - SMRs and GAEC
  - Climate benefitting practices
  - Climate change mitigation and adaptation, biodiversity, protection of water, animal and plant disease notification and innovation actions
  - Sustainable development of small farms

- May also cover:
  - Sustainable development of holdings
  - Minimum requirements under national legislation re A.29(3) and 30(2)
    (agri-environment and organic farming)

- Providers to be chosen through calls for proposals (open to public and private bodies)

- Advisers must be suitably qualified and regularly trained

- Commission may specify the minimum qualifications of the advice providers

- Separation between advice and control, including protection of personal data

- Provide list of designated bodies

- Beneficiaries (whether or not receiving CAP support) may use the service on voluntary basis

- MS may prioritise access, ensuring also that priority is given to those whose access to other advisory services is most limited

- Commission may adopt delegated acts to render the system fully operational and relating to the accessibility criteria

- Ensure access to advice reflecting the specific situation of the relevant holding

- Where justified and appropriate, advice may be partly provided in group, taking account of the situations of the individual user

- Commission may adopt rules for the uniform implementation of the EU FAS
## STRENGTHS WEAKNESSES OPPORTUNITIES AND THREATS

Annex 3

**Group One**

**Group Two**

### STRENGTHS

- whole farm review
- there is advice
- coverage
- small well connected country
- trusted
- skills
- separation from SG
- level of outreach (access)
- BASS (accreditation)

### WEAKNESSES

- too little
- too fragmented
- not enough trained advisors
- silo advice (nutrition, renewables etc)
- the 20% who need it don’t come forward (too busy?)
- FWAG (loss of)
- not enough skills (providers)
- lack of choice (FBAASS)
- education and value chain
- group. v. individual
- loss of SNH/FC advice

### OPPORTUNITIES

- One stop shop – GP’s – then target advice
- accredited advisors
- public sector – private sector advice (joined up)
- advice to deliver public & business benefit (not only SRDP)
- business advice, market lead
- better cohesion & integration
- skills for the future
- targeted delivery (topic/region)
- compare with others (benchmark)

### THREATS

- don’t have technical advisors
- advice for ‘grant funding’ only
- money to advisors (rather than farmers)
- £ (not enough)
- perceptions (mandatory)
- one dominant player
- trusted (loss of)
- poor aim

France/Barbados
Annex 4

Agriculture and Climate Change: Evidence of Influencing Farmer Behaviours – Presentation from Angela Hallam

Paper on the main aspects of the French Advisory System

Paper on the main aspects of the Welsh One Stop Shop

Paper on advisory need to help meet the WFD objectives

Paper outlining recommendations for future advisory services for agri environment

Paper on advice and guidance within the national park

Paper outlining the current advisory capacity in Scotland
Further useful links


Catchment Sensitive Farming (part funded by RDP) [http://www.naturalengland.org.uk/ourwork/farming/csf/default.aspx](http://www.naturalengland.org.uk/ourwork/farming/csf/default.aspx) and [http://www.businesslink.gov.uk/bdotg/action/detail?type=RESOURCES&itemId=1083648236](http://www.businesslink.gov.uk/bdotg/action/detail?type=RESOURCES&itemId=1083648236)