

Note of Meeting – Suckler Beef Climate Scheme – Policy Proposals
18 February 2021 – 17:30 – 18:15 via conference call

Present

Fergus Ewing - Cabinet Secretary for the Rural Economy and Tourism

Kate Higgins - Special Advisor to the First Minister, Rural Economy and Connectivity

Liz Ditchburn – DG Economy

Andrew Scott – Director for Agriculture and Rural Economy

John Kerr – Head of Agriculture Policy Division

Simon Fuller - Deputy Director – Rural & Environmental Science and Analytical Services

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Purpose – To discuss the content of the Ministerial Submission of 17th February 2021 titled “Suckler Beef Climate Scheme advice”.

1. Mr Ewing opened the meeting by thanking officials for the submission but noted he was surprised by the content. He stated he expected the submission to contain proposals on how to deliver the suckler beef climate scheme, in particular aspects on enrolment and baseline data gathering elements, and was therefore distressed and disappointed to find the submission did not do that, instead it focussed on potential policy and delivery risks. Mr Ewing said that the Farmer Led Group (FLG) approach has been the most popular initiative during his Ministerial career, that it was full endorsed by the NFUS President, chairs of the other FLG groups and wider agricultural press, and that it was the leadership the sector needed to see. Mr Ewing also said that if the suckler beef scheme was not delivered before the election he would feel that he had personally let down the FLG groups down and it could lead to the resignation of the Suckler Beef Implementation Board Co-chair [redacted] – who along with many others had delivered a lot of work on a *pro bono* basis.
2. Mr Ewing said that the advice that he had received suggested that the Government should not make progress in the way he thought necessary. In his view, however, his judgements on various issues had been clear in his response to previous advice. In particular it was necessary to consider the historical decline of cattle numbers and acknowledge that a policy of the “conditionality” in future support might lead to a fall in numbers. Mr Ewing also said that in addition to these points if we do not make a start quickly then emissions will continue at their present level and that it was necessary to recognise that in taking any new approach that, “Rome was not build in a day”. Transition, persuasion and progress take time. Moreover, the advice was short on practical alternatives.
3. Kate Higgins said that she had not been consulted during the development of advice and submissions to the Cabinet Secretary on this issue – a matter that she found disappointing.
4. Liz Ditchburn said that officials had been working very hard to identify the basis of public policy. Her continuing concerns were reflected in her two notes of advice to Mr Ewing

but the issues and that she very much hoped we could deal with the issues that were an essential part of her responsibilities as Accountable Officer.

5. Andrew Scott said that the advice offered by John Kerr was intended to establish the Cabinet Secretary's policy goals – for suckler beef and for agriculture support more generally. Recent discussion between officials and [redacted] had established new detail about what [redacted] thought should happen and which farm businesses should be included in his proposals that needed to be the subject of formal agreement with Ministers. For example, it had become apparent that some additional GHG reduction burdens would fall to other sectors as a result of maintaining the suckler beef herd to the extent proposed, given the likely operation and adoption of available technical measures. This raised inevitable issues of impact and equity that were likely to be part of public discussion. Similarly, the application of similar approaches elsewhere in agriculture were set out in annex 1 of John Kerr's advice provided a framework on which the Cabinet Secretary needed to take a formal view for the development and explanation of public policy. In discussion, Andrew Scott confirmed that the estimates on emissions reductions contained in recent advice had been checked with the SRUC for accuracy. They showed that even with very significant adoption of all new technologies – significant reductions in livestock numbers were required to achieve emissions targets.

6. Mr Ewing said that:

- a) He agreed with the approach set out in annex 1 of John Kerr's submission of 17/2/21 and that this should form the basis of Scottish Government policy on agriculture support in general.
- b) Financial payments offered to farmers had to be sufficient to provide an incentive but not over-generous;
- c) Support should be offered to smaller farms – for example, on the basis that rates of payment per head should be greater for the first twenty animals or so (as [redacted] had proposed).
- d) Taking these things into account, the detailed requirements for particular support of the suckler beef sector – and the sustained inclusion of different businesses - should be the subject of further discussion with the Implementation Board.
- d) The additional burden of emissions reduction that is being placed on other aspects of agriculture by the proposed measures for suckler beef would be addressed by the income that is likely to be available from other forms of land-use – such as forestry and peatland restoration.
- e) Although he had previously been disinclined to accept the requirement for controls on cattle numbers, in view of the concerns raised by the Accountable Officer, further consideration should be given to control measures and the terms in which livestock farmers might be offered financial assistance to leave the industry.

7. Officials agreed to develop further options for consideration.

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