Discussion Brief

Britain's Natural Environment

How can the UK restore nature, support farmers, and build a greener future?

Conservative

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Foreword

Dear Members and Supporters,

Our work with the Shadow teams and the Policy Renewal Programme brings us together with members and supporters across the Conservative Party who want to put ideas forward: ideas to seize potential, to preserve the best of what the country has inherited, and offer the best to future generations.

A key part of that is our natural environment, from our farmland to rivers, to our urban parks to our native species – all of which will need to adapt to our changing climate. The Shadow team are working to conserve and enhance the great natural environment which we have been blessed with, whilst supporting our food quality and security alongside being realistic about the needs of our growing population.

The question for us as members and supporters is how we can help get the best ideas into the policy formation process. We want to hear from farmers, from the rural community, the urban community, those who know about wildlife, or those who have set up pocket parks. As always, our proposals and ideas should be costed.

There is a great deal of work to be done. Over to you – and thank you, as always, for your thoughts, ideas and dedication to policy formation.

Frances Lasok,
Voluntary Director, Conservative Policy Forum

How to Take Part

Please send your responses to the questions in this paper to CPF@conservatives.com, using the associated response form published alongside the paper on the CPF website. A summary of responses to this consultation paper will be sent to the Shadow Secretary of State for Environment Food and Rural Affairs, Victoria Atkins, and the Leader's Policy Renewal Programme. The deadline for sending your response is 11th September.

We look forward to hearing your views.

Kind Regards,

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Summary Briefing

The United Kingdom is one of the most nature-depleted countries in the developed world. Britain has lost 97% of its wildflower meadows since the 1930's[1], around 80% of its peatlands are degraded[2], and the 2023 State of Nature report found that the average abundance of 753 monitored terrestrial and freshwater species has declined by 19% since monitoring began in 1970 [3]. This is not inevitable. It is the result of decades of policy choices, economic incentives and land management practices, many of them predating any recent government. These can now be changed.

The primary drivers of nature loss include changes in land use, invasive species, climate change, pollution, and policy incentives that historically rewarded production at the expense of the environment. Since leaving the European Union, the UK has begun to redesign its approach, replacing the Common Agricultural Policy with Environmental Land Management (ELM) schemes that reward farmers for delivering public goods alongside food production. The Office for National Statistics values the total assets of UK ecosystem services at £1.6 trillion in 2023 with £1.4 trillion (90%) of the asset value being attributed to biotic sources and £0.2 trillion (10%) from abiotic sources[4]. These ecosystem services provide a wide range of benefits, including carbon sequestration and flood regulation, recreation and food production.

Farmers and land managers are central to reversing these trends. They manage most of the countryside, and stable, well-designed schemes that reward them fairly for producing food and nature together will do more than any single measure. This paper sets out the current state of nature, the main drivers of its decline, lessons from other countries, and a set of questions for discussion

Restoring nature is complicated by a wide range of factors:

- Agriculture occupies around 69% of UK land[5], and decades of subsidy linked to land area encouraged the removal of hedgerows, ponds and other habitats.
- Climate change and intensive management of farmland are the two biggest drivers of nature loss on land, with unsustainable fishing and climate change the main pressures at sea. The issue is *how* land is farmed, not farming itself: a productive domestic farming sector is essential to food security, and the goal is to produce food and nature together.

[1] Royal Botanic Gardens, Kew: Why Meadows Matter (kew.org); Gov.uk: Nationally important wildflower grasslands get increased protection (2020)

[2] IUCN UK Peatland Programme: Threats to Peatlands (iucn-uk-peatlandprogramme.org); Natural England: A new peat map for England (2025)

[3] State of Nature Partnership: State of Nature 2023 (stateofnature.org.uk), published September 2023

[4] Office for National Statistics: UK Natural Capital Accounts 2025 (ons.gov.uk), released December 2025

[5] Department for Environment, Food and Rural Affairs (Defra): Agricultural Land Use in the United Kingdom at 1 June 2025 (gov.uk, 2025)

- Invasive species such as the grey squirrel and muntjac deer cause lasting damage that is difficult and costly to reverse[6].
- Agriculture runoff is a leading cause of poor water quality in rivers and lakes, and farmers can reduce it with the right support, such as advice, capital grants for slurry storage, and ELM payments for buffer strips, cover crops and better soil management. The aim is to help farmers cut runoff, not to penalise them for it.
- Ecosystem services are worth an estimated £1.6 trillion, but this value is applied inconsistently. In some decisions it is barely counted, while in others it is weighted so heavily that it holds up development, including on brownfield land and on farms. The aim should be a proportionate and predictable approach.
- Environmental Land Management schemes are the right policy direction, but implementation has been inconsistent and farmer confidence has been undermined by repeated changes. In March 2025 the Labour Government closed the Sustainable Farming Incentive to new applications without notice, leaving many farmers with no route into the scheme and further eroding trust [7].

Lessons from other countries:

- Costa Rica's payments for ecosystem services programme has helped increase national forest cover to approximately 54% of the country's territory;
- The Netherlands offers lessons in the political difficulty of managing the transition from intensive agriculture, and the value of giving farmers early clarity rather than abrupt, disruptive change forced late;
- New Zealand's Voluntary Nature Credits Market offers a market-based model for mobilising private capital for nature recovery;
- Germany's multi-year funding plan for nature-based solutions show that large financial commitments are necessary but not sufficient, as weak administrative capacity has held back delivery;
- France has already exceeded its headline target of protecting 30% of land and sea, but its more specific ecosystem restoration goals remain at an earlier stage;

[6] Forestry Commission: A Coordinated Effort: How We're Tackling the Dual Threat of Deer and Grey Squirrels (forestrycommission.blog.gov.uk, 2025)

[7] DEFRA Farming Blog: *An Update on the Sustainable Farming Incentive* (defrafarming.blog.gov.uk, March 2025)

The Current State of Our Natural Environment

The United Kingdom's nature deficit is not a recent or contested finding. Scientific evidence documenting species decline and ecosystem degradation has accumulated for decades, and the principal causes have been recognised. What has changed in recent years is the development of new institutions, legal frameworks, and policy mechanisms intended to reverse these trends. The key challenge now is determining whether these governance structures are sufficiently coordinated and ambitious to address the scale of environmental decline facing the country. The UK is regularly cited as one of the most nature depleted countries in the world, with the loss of 97% of its wildlife meadows since the 1930s[1], driven primarily by the drainage and ploughing of permanent grassland for food production. Around 80% of peatlands are degraded [2] with consequences that extend well beyond biodiversity: damaged peat emits carbon rather than storing it, contributing an estimated 23,000 kilotonnes of CO_2 equivalent annually[2].

The State of Nature 2023 report (Figure 1), shows the trend is an average abundance across 753 monitored terrestrial and freshwater species (mammals, butterflies, moths, landbirds and wetland birds) between 1970 and 2020. The indicator falls from 100 to approximately 80, a decline of roughly 19%. The accompanying bar chart shows that between 2010 and 2020, a larger share of species were in strong decline than in earlier periods[3].

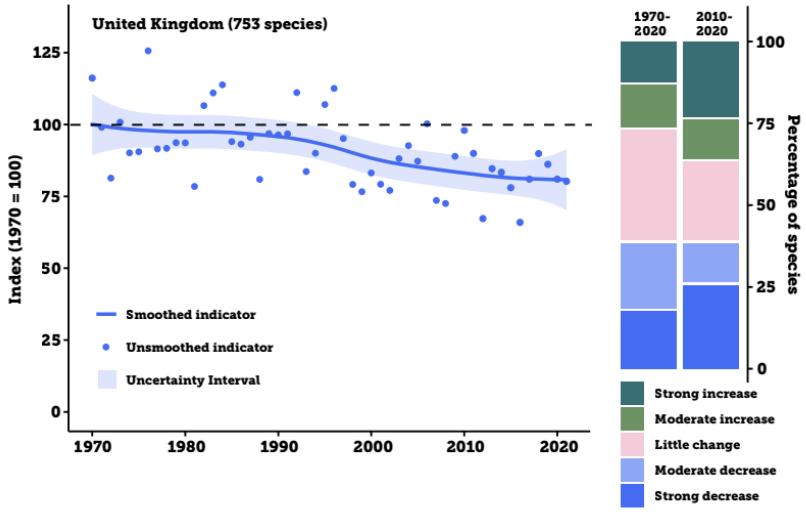

Figure 1: *Change in average species abundance across terrestrial and freshwater species in the UK (753 species, 1970- 2020; 743 species, 2010- 2020) Source: State of Nature Partnership, State of Nature 2023 (stateofnature.org.uk)[3]*

What the headline figures do not capture is the degree to which the 1970 baseline was itself degraded. Systematic monitoring began only when post-war agricultural intensification had been underway for two decades. The 19% decline recorded since 1970 is measured against a starting point that had already been substantially reduced from pre-industrial levels.

The spatial distribution of nature loss also matters for policy design. The decline is not evenly distributed. Lowland England, where agricultural land values are highest and development pressure is greatest, has experienced the most severe losses. Upland areas, where traditionally grazing and peatland management remain more prevalent, retain more biodiversity but face growing pressure from land use change and climate impacts. Any serious policy framework must be calibrated to these geographical differences rather than applying uniform national targets to highly varied local conditions.

The economic framing of nature deserves scrutiny as well as application. The Office for National Statistics' estimate of £1.6 trillion in total ecosystem asset value[4] is a useful tool for communicating the scale of what is at stake. However, such figures should be treated with appropriate caution. Natural capital accounting captures only those benefits that can actually be measured and assigned a monetary value, potentially overlooking ecological functions that are difficult to quantify but essential to long-term environmental resilience. Biodiversity underpins food security, climate regulation, water quality, flood mitigation, and public health, yet many of these benefits are not fully reflected in economic valuations. Therefore, policymakers should avoid relying too heavily on economic metrics, as this may prioritise assets with measurable value over equally important ecological functions.

Problems and Drivers of Nature Loss

Nature loss in the United Kingdom is not the product of a single cause. It reflects decades of intersecting pressures, many of which were shaped by policy decisions that are now being revisited.

Climate Change

Climate change is reshaping where and how nature survives. Warmer temperatures, more extreme weather and less predictable seasons are shifting the ranges of many species, with some moving northwards or to higher ground, and some warm adapted species arriving in the UK for the first time. The direct effect has been mixed, helping some and harming others (Burns et al., 2016) but this reshuffling is not cost free. Habitats become inhospitable, the timing of food supplies and breeding falls out of step, extreme events lower survival rates, and cold-adapted and upland species with nowhere cooler to move come under growing pressure. The State of Nature report identifies climate change as the second major long-term driver of nature loss on land, and as one of the two dominant pressures on marine species alongside unsustainable fishing[3]. The Climate Change Committee judges climate change to be a major threat to UK biodiversity at a time when it is already degrading; its 2026 assessment warns that globally rare habitats such as chalk streams are at risk, which makes existing nature restoration targets harder to meet unless climate change is designed into them. Signs of pressure are already visible include the poor and declining conditions of many protected sites, and the record extent of large wildfires in the hot summer of 2022[8].

Changes in Land Use

The conversion of natural habitats, such as native woodland, grasslands, and wetlands, for food production, commercial forestry, industry, housing and urban usages has removed the nature that was previously there. Agriculture alone occupies around 69% of the United Kingdom's land area[5], which means that even small changes in how farmland is managed have a disproportionate effect on the country's overall ecological condition. The State of Nature 2023 report identifies intensive agricultural management as one of the two major long-term drivers of nature loss on land, based on expert analysis of population trends across 400 species (Burns et al., 2016). It attributes this to post-war policy driven increases in farming productivity, achieved through practices such as higher fertiliser and pesticide use, drainage of wetlands, and more intensive grassland and moorland management, which have come at significant cost to nature. This is not a failure of farming but of the incentives farmers were given. Post-war policy rewarded maximum production, and farmers responded rationally to the signals set for them. The same responsiveness now works in nature's favour: fertiliser use has declined since its 1980s peak and uptake of agricultural environment schemes has increased. The report finds

[8] Climate Change Committee, A well-adapted UK: The Fourth Independent Assessment of UK Climate Risk (www.theccc.org.uk , May 2026)

that the scale of these interventions remains insufficient to halt, let alone reverse, the biodiversity decline which points to the need for stronger and more stable support rather than blame[3].

Invasive Species

Introduced either deliberately or accidentally, invasive species are non-native organisms that spread rapidly through their new environment, negatively impacting native species and ecosystems. The grey squirrel was introduced from North America in the late nineteenth century, and has spread across most of England and Wales, central and southwest Scotland, and parts of Northern Ireland, displacing native red squirrels through competition and the squirrelpox virus, to which the red squirrels have no immunity[9]. The muntjac deer, introduced from China in the early twentieth century, has no natural predators in the UK and causes significant damage to woodland by browsing tree shoots and preventing natural regeneration[10].

Pollution

Pollutants enter the environment from multiple sources, from plastic waste to agricultural runoff, which can harm wildlife and damage air, soil and water quality. While many pollutants have fallen from their peaks in the last century, such as sulphur dioxide and other industrial air pollutants, new pollution sources have emerged, including microplastics and "forever chemicals" (Per- and Polyfluoroalkyl Substances, PFAS)[11]. The Environment Agency has mapped over 40,000 sites across the country with potential PFAS contamination, ranging from airfields and fire stations to sewage treatment works and industrial sites, and in February 2026 the Government published its first UK-wide PFAS plan, setting out long-term evidence-based approach to managing these chemicals [12].

Direct Exploitation and Wildlife Management

Historically unsustainable use of natural resources, through practices such as deforestation and poaching, has damaged wildlife and ecosystems, evidence suggests that targeted wildlife management measures, including deer culling where appropriate, can contribute positively to biodiversity conservation and habitat restoration. The Forestry Commission warns that, in some areas, deer populations have reached unsustainable levels due to the absence of natural predators and increasing woodland cover. Therefore, excessive deer numbers can damage biodiversity, simplify woodland habitats and hinder natural woodland regeneration. As a result,

[9] Forest Research: Controlling Grey Squirrels in Forests and Woodlands in the UK (forestresearch.gov.uk); UK Squirrel Accord, written evidence to the Environmental Audit Committee (committees.parliament.uk)

[10] British Deer Society, Reintroduction of Large Predators (Position Statement) (bds.org.uk)

[11] Environment Agency: PFAS Risk Screening Project (engageenvironmentagenecy.uk.engagementhq.com)

[12] Department for Environment, Food and Rural Affairs (Defra): UK PFAS Plan (gov.uk 2026)

the Commission recommends deer culling and other protective measures, with collaborative, landscape scale management being particularly important where herding species are present [13].

A topical example of these trade-offs is the Dartmoor hill pony. These semi-wild herds have grazed the moor for thousands of years and are part of its cultural heritage yet their numbers have fallen sharply, from 6,000 a quarter of a century ago to fewer than 1,000 today, and the breed is now classed as endangered [14]. Ponies are also valued conservation grazers. Research has found that their grazing and trampling helps control purple moor grass (Molinia) that would otherwise crowd out other plants and reduce biodiversity. In 2026, pony organisations and campaigners warned that proposed agri-environment agreement, which included ponies alongside cattle in overall stocking calculations, could encourage commoners to retain more commercially productive livestock instead. They argued that this could substantially reduce pony numbers and potentially drive the population below the level required to maintain its genetic integrity[15].

Perverse Policy Incentives

Previous policies, such as the European Union's Common Agricultural Policy, incentivised the removal of nature from a farmed environment by paying farmers based on the area of land in production, rewarding the removal of hedgerows, ponds and field margins to maximise productive area. New policies such as Environmental Land Management schemes pay farmers for environmental outcomes rather than land area[16], while mandatory biodiversity net gain requires developers to deliver measurable biodiversity improvement as a condition of planning permission[17].

We Do Not Properly Value Nature

The economic value of nature has too often been priced at or close to zero. The Office of National Statistics estimates the annual flow value of the UK ecosystems services at £41 billion in 2023, comprising £34 billion from biotic (living) ecosystem services and £7 billion from abiotic (non-living) services. In addition, the total asset value of UK ecosystem services is estimated at £1.6 trillion [4]. Despite the substantial economic benefits that ecosystems provide, these values

[13] Forestry Commission, Woodland creation and mitigating the impacts of deer (gov.uk)

[14] Horse & Hound: Losing One is a Tragedy but 90% of Hill Pony Population Could Be at Risk from New Government Contracts (www.horseandhound.co.uk, June 2026)

[15] Lunt, P. et al.: *Using Dartmoor Ponies in Conservation Grazing to Reduce Molinia caerulea Dominance and Encourage Germination of Calluna Vulgaris in Heathland Vegetation on Dartmoor, UK* (2021); Natural England: *Grazing on Dartmoor– Setting the record straight on Natural England's role* (2026); Horse & Hound: Losing One is a Tragedy but 90% of Hill Pony Population Could Be at Risk from New Government Contracts (www.horseandhound.co.uk, June 2026)

[16] House of Commons Library, Farm funding: implementing new approaches (commonslibrary.parliament.uk)

[17] Department for Environment, Food and Rural Affairs (Defra), Biodiversity Net Gain (gov.uk)

are not always fully reflected in planning and investment decisions. At the same time, regulatory frameworks such as Habitats Regulations have been criticised for failing to incorporate the full value of nature efficiently, sometimes resulting in costly mitigation measures. A notable example is the HS2 bat tunnel, which was initially estimated to cost around £40 million but ultimately reached a confirmed cost of £216 million[18].

[18] New Civil Engineer, HS2 Bat Tunnel: Cost, Controversy, and the £216m Story (Stotles.com)

International Comparisons

International experience offers useful lessons for how governments can support nature recovery alongside a productive economy. Population density shapes how much space is available for nature and how intense the competing demands on land are. The UK, at around 289 people per square kilometre[19] is more crowded than France, Costa Rica or New Zealand, and Germany, although still less dense than the Netherlands.

Country	Population density (people per km2)
Germany	240
Netherlands	547
France	122
Costa Rica	101
New Zealand	20
UK	289

Costa Rica

Costa Rica (around 101 people per square kilometre) offers an instructive comparison. Its Pagos por Servicios Ambientales (PSA) programme, established under the 1996 Forestry Law, pays landowners for the carbon storage, water protection and biodiversity value of their land. This scheme has been identified as one of the key instruments behind Costa Rica's reversal of deforestation, with forest cover rising to approximately 54% of national territory today[20]. In Costa Rica the scheme is funded by a hypothecated fuel tax and administered by a dedicated state forestry agency. The relevant lesson for the UK is the value of a stable, dedicated funding stream and clear administration, rather than a specific tax used, which need not be replicated here.

Netherlands

The Netherlands is the most densely populated country in this comparison at around 547 people per kilometre, which intensifies competition for land. Dutch agriculture accounts for

[19] Worldmeter: United Kingdom Population (www.worldometers.info, 2026)

[20] Environment for Development Initiative (EfD), Costa Rica's Payment for Ecosystem Services Scheme Has Been Evaluated; Convention on Biological Diversity, Costa Rica's Payment for Ecosystem Services Program: Technical Information

nearly half of the national nitrogen deposition, with ammonia from livestock a major contributor to nitrogen levels that exceed safe limits in 118 of the Netherlands 162 Natura 2000 nature reserves[21]. In 2019, the Dutch Council of State ruled that the country's existing permitting system was unlawful, suspending thousands of building and farming permits overnight. This froze expansion of dairy, pig and poultry farms alongside housing, road and airport projects, putting an estimated €14 billion worth of projects in jeopardy[16]. More recent monitoring shows nitrogen deposition in these protected areas fell by 32% between 2005 and 2023, but the legally binding targets for reducing it still have not been met. The Dutch experience shows that delaying action on a known problem can lead to a far more disruptive response later. For farmers, the lesson is the value of early clarity and managed transition, rather than abrupt change forced late.

New Zealand

New Zealand (around 20 people per square kilometre) has one of the highest rates of biodiversity loss in the world, with many native species threatened by invasive pests, habitat degradation, climate change, and the spread of weeds. In June 2025, the New Zealand government announced its support for expanding a Voluntary Nature Credits Market, launching pilot projects with farmers, Māori iwi, conservation groups and landowners to generate tradeable credits from activities such as habitat restoration, wetland creation, and native revegetation. However, policymakers have also recognised the risks associated with schemes, including concerns over environmental integrity, the commodification of nature, and the protection of indigenous rights[22]. The New Zealand experience suggests that while market mechanisms can attract private investments into conservation, their success ultimately depends on robust regulation, transparency, and public trust.

Germany

Germany (around 240 people per square kilometre) provides a lesson in delivery. Its Federal Action Plan on Nature-based Solutions (Aktionsplan Natürlicher Klimaschutz, ANK), running 2023-2028, has allocated €3.5 billion between 2024 and 2028 to the protection, restoration and preservation of ecosystems such as peatlands, wetlands and other natural habitats, reflecting the growing recognition of nature-based solutions as a key component of both climate mitigation and biodiversity conservation strategies[23]. As of May 2025, sixteen funding programmes have been launched under the ANK, with more than 9,000 projects accepted[18] . However, environmental groups have noted that implementation has lagged expectations: only €12.8 million of ANK funds were spent in 2023, with overall disbursement well below the level

[21] Science (AAAS): Nitrogen Crisis from livestock operations has ‘paralyzed’ Dutch economy; RIVM: Measures aimed at reducing nitrogen deposition (March 2026) (rivm.nl)

[22] New Zealand Government (beehive.govt.nz): Government backs voluntary nature credits (June 2025); Ministry for the Environment NZ: Biodiversity credit system discussion document

[23] NetworkNature:Good practice in integrating Nature-based solutions into policy in the EU– the German Federal Action Plan on Nature-based Solutions for Climate and Biodiversity (networknature.eu, 2025)

required, partly attributed to delays from the federal finance ministry in finalising programme guidelines[24]. The German experience shows that a large funding commitment is not enough. What matters is the institutional and administrative capacity to deliver it, and Germany has struggled to spend even the money it has already allocated.

France

France (around 122 people per square kilometre) has moved quickly on protected areas. Its National Biodiversity Strategy 2030 (Stratégie Nationale Biodiversité 2030, SNB2030), presented by Prime Minister Elisabeth Borne in November 2023, is structured around four areas of focus: reducing pressures on biodiversity, restoring biodiversity, mobilising stakeholders, and securing resources [25]. France has already met its 2030 target of protecting 30% of land and sea areas, reaching 33.4% in 2024. Restoration targets include a net gain of 50,000 kilometres of hedges by 2030, 50,000 hectares of wetlands by 2026, and 1 billion trees by 2030, with 27,336 hectares of wetlands restored and 64 million trees planted in 2024 [20]. The French Development Agency provided €1.1 billion for biodiversity in 2023, already surpassing its 2025 target, while a reformed grant for rural districts supporting protected areas rose €41.3 million in 2023 to €100 million in 2024 [20]. The French experience illustrates a strategy that, unlike Germany's, has already exceeded its headline protected area target. However, progress towards achieving a more specific ecosystem restoration objective remains at a comparatively earlier stage.

[24] Deutscher Naturschutzring (DNR): Action program for natural climate protection is more urgent than ever (dnr.de, 2024)

[25] Government of France, Living in harmony with nature: National Biodiversity Strategy 2030 (biodiversite.gouv.fr)

Questions for Discussion

Funding and Valuing Nature

- What is the right balance between public and private funding for nature recovery?
- What role should local voluntary groups have to play in the restoration of nature?
- What opportunities exist for development of the urban natural environment, from trees to parks – and which levers can communities and government use to support this?

Land Use and Farming

- How can we restore our natural heritage while also strengthening domestic food production, building new homes, and reconciling other competing land use demands?
- How should we support and reward farmers for nature-friendly farming?
- How can we give farmers the long-term certainty and fair reward they need to invest in nature-friendly practices with confidence?

Pollution

- Where the population has a clear and identifiable source, such as sewage discharges or industrial waste, should those responsible bear more of the cost of preventing and cleaning it up?
- Diffuse pollution such as agricultural runoff is far harder to attribute to one source. How can farmers be supported and rewarded for cutting runoff and improving water quality, rather than penalised for it?

Climate Resilience and Biosecurity

- How can we help habitats and species become more resilient to a changing climate, rather than only trying to reduce emissions?
- What should be done to manage the biosecurity risks, such as new pests and diseases that a warmer climate brings?

Species Priorities

- Which of our iconic native species should we prioritise protecting and how?