

Views on Natural Capital and Evidence Use related to Agricultural Policy

A briefing based on interviews in late 2024

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Why has this briefing been written?

This briefing summarises the results of a recent study published on the ‘Views on Natural Capital and Evidence Use in Policy Processes associated with Scotland’s Agricultural Reform Programme’ report from March 2025. This briefing is intended to provide an accessible summary that highlights the main findings and begins to elaborate on implications. If you would like to know more, we encourage you to download the [full report](#); or for more information on this briefing, contact Karolina.Trdlicova@hutton.ac.uk.

This forms part of the ‘Galvanising Change via Natural Capital project (JHI-D5-3) within the Scottish Government’s Strategic Research programme (SRP) 2022-27. For more information on this project, please visit our [project webpage](#), or contact Kerry.Waylen@hutton.ac.uk.

What was the purpose of our study?

We explored how individuals connected with the ongoing Agricultural Reform programme perceive the concept of Natural Capital (NC) and evidence in the policy process. Our aim was to understand possibilities to adopt NC-related data or approaches in policy development.

What methods did we use?

This was a qualitative research study, based on 14 semi-structured interviews. These were carried out in late 2024 with individuals connected to the Agricultural Reform programme (ARP), most within the Agricultural Policy Division of ARE (Agriculture and Rural Economy Directorate), also some in RESAS (Rural and Environment Science and Analytical Services) and NatureScot. The interviews were transcribed and subject to abductive content analysis. The study had obtained prior approval by the James Hutton Institute Research Ethics Committee and RESAS Social Research Approval. The main topics of the interviews were (i) current understandings of NC and (ii) its potential relevance to policy development and (iii) experiences of environmental evidence use in policy development.

Why did we discuss Natural Capital (NC)?

NC is a way of representing nature in terms that should help the various aspects and benefits of nature to be better accounted for in decision making (Bateman et al., 2020). Approaches vary, but it usually entails representing nature in terms of assets, stocks and flows that benefit society (Missemer, 2018) and so can help allocate public sector resources (Binner et al., 2025). There is interest in finding ways to represent NC within policy development, as well as the processes of other economic sectors.

Why did we interview staff connected with the Agricultural Reform Programme (ARP)?

Agricultural policy in Scotland is undergoing a period of significant change, to be delivered via the ARP. The aims of the ARP include producing more food sustainably, cutting carbon emissions and farming with nature, and include commitment to supporting Natural Capital (Scottish Government, 2022). The changes introduced by the ARP represents a potential opportunity to work with NC within policy processes, as well as support NC in policy outcomes.



What did we find?

- **Diverse understandings of NC** All participants had some awareness of NC terminology, but understandings were diverse, ranging from accounting and valuation to associations with nature restoration, climate change mitigation and adaption, biodiversity and habitats. Several associated it with nature markets.
- **Varied enthusiasm for linking NC into policy development** NC was not currently explicit in the work processes of those we interviewed. Some were intrigued to learn or do more related to NC, but there was also some doubt about the value and distinctiveness of working with NC. There was no clear path to embedding NC further. Many thought it would make sense for a different team or level of policy development, but not something for them to work with directly.
- **A focus on farmers** Our interviewees often appraised whether it made sense for NC to be more explicit in policy development based on whether NC would make sense to farmers. Views on this varied. Some worried that NC terminology would not be suitable for farmers and crofters. Conversely, others thought it made the most sense to focus on it as relevant to farmers, especially via the Whole Farm Plans. These comprise five audits and plans to be completed by farmers, which condition their access to agricultural support schemes, and include attention to carbon, soils, biodiversity and habitats. Doing so was expected to help farmers see nature in terms of their assets and hence be compatible with promoting thinking in terms of NC, even if not using NC terminology. Farmers might also be influenced by – and even prefer to engage with – new nature markets, shaping how they understand and manage their NC.
- **Constraints on environmental evidence use in policy development** The current ability to understand natural and environmental issues linked to farming is imperfect. There are gaps and limitations in data available at the scale of land-holdings, and a lack of baselines. There was also felt to be a disconnect from the farmers' experience and a lack of qualitative data. Challenges in improving data included access to financial and technological resources, the complexity and costs of data sharing and the consideration of privacy. Many interviewees wish to improve data sets yet without delaying decisions.
- **Change management challenges** Any type of change is difficult; and the ARP is associated with many changes. This can reduce the 'bandwidth' to think through why and how to work with NC. Other issues reported as potential impediments to change included the lower rate of staff 'churn' in agricultural teams, workload and IT constraints could all impede consideration of changes.

Overall, it seems that staff connected with the ARP had quite variable views on NC and its relevance, and NC is not explicitly part of current policy development. We spoke to only a small portion of those associated with the ARP; the full range of views may be even more diverse.

There are several barriers to embedding NC in policy development. Some of these relate to specific associations or ambiguity with the NC terminology, some relate to long-standing challenges in working with environmental data and sustainability topics and others relate to general challenges of change management.



What are the implications?

Definitions of NC already exist, but we suggest it would be useful to clarify with ARP staff both the definition and purpose of working of NC. This should acknowledge doubts and concerns and note how more familiar concepts and goals do or do not relate to NC. In our main report we proposed five profiles of staff views and relationships with NC – considering how to engage and persuade all these profiles can help plans reflect different concerns and ideas.

Appraising opportunities to embed NC should not be seen solely as a communication challenge, but also as part of institutional change management processes. Resources, examples and champions are therefore likely to be helpful. Examples of working with NC tools or data in different tasks or stages in other areas of policy development would help make the concept more tangible and appraise opportunities to do more in the ARP.

What are our next steps?

Later in autumn/winter 2025, we intend to discuss what could be done differently. We will build on these insights, together with ideas and insights arising from other research and policy initiatives.

We recognise that identifying and making changes is not straightforward or easy; so, interaction may best help share and refine ideas. We expect a collective discussion (online or in person) rather than interviews may best help identify when and how it is productive to work with NC to achieve commitments to sustainability.

We are very grateful for the insights shared by all those who have participated in or supported this study so far and hope some participants will be available to take part in future discussion.

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