# **National Assembly for Wales**

# An introduction to Glastir and other UK agri-environment schemes

## February 2011

This research paper provides an overview of Glastir, the new agri environment scheme for Wales.

Details of agri-environment schemes operating elsewhere in the United Kingdom are included for comparison.

> Members' Research Service



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Enquiry no: 11/0329

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February 2011

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Paper number: 11/012

The Members' Research Service acknowledges the parliamentary fellowship provided to Miss Rose by the Natural Environment Research Council, which enabled this paper to be completed.

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## **Summary**

Agri-environment schemes are funded under Axis 2 of the Common Agriculture Policy (CAP) Rural Development Pillar. The CAP Health Check, adopted in November 2008, requires all Member States to address new risks and challenges such as climate change in their Rural Development Plans from 2014. A review of Axis 2 schemes in Wales found that the existing schemes lacked clear, measurable objectives and did not address the issues identified in the CAP Health Check. Following the review, the Minister for Rural Affairs, Elin Jones, announced that from January 2012 a new agri-environment scheme, Glastir, would replace existing schemes.

Glastir is comprised of the All Wales entry level element which is accessible to all farmers, an upper level Targeted element which targets issues of concern in pre-defined priority areas, a Common Land element, the ACRES (Agricultural Carbon Reduction and Efficiency Scheme) capital grant element and a stand-alone Woodland Creation element.

Similar agri-environment schemes with entry level and upper level tiers are operating in England and Northern Ireland, whereas in Scotland a single scheme covers Axes 1, 2 and 3 of the CAP Rural Development pillar.

This paper presents a brief overview and comparison of agri-environment schemes operating in the United Kingdom.

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# An introduction to Glastir and other UK agri-environment schemes

#### 1. Introduction

EU agricultural and rural development is funded under the Common Agriculture Policy (CAP). Pillar one of the CAP, otherwise known as the Single Payment Scheme, provides income support to farmers who keep their land in Good Agricultural and Environmental Condition (GAEC). Pillar two, otherwise known as the **Rural Development Pillar**, provides support to farmers and land managers to deliver environmental goods and support rural economies and communities.

The European Commission Regulation on support for rural development (2005/1698/ EC) outlines four axes under which money can be spent:

- Axis 1 Improving the competitiveness of the agriculture and forestry sector
- Axis 2 Improving the environment and the countryside
- Axis 3 Improving the quality of life in rural areas and diversification of the rural economy
- **Axis 4** 'Leader' element for implementation of bottom-up local development initiatives (this will be delivered through the other three axes)<sup>1,2</sup>

**Agri-environment schemes** fall under Axis 2 and provide funding for farmers to manage their land in a way that benefits biodiversity and landscape features, and improves the quality of water and soil. They can be viewed as:

 $\dots$  the state  $\dots$  buying environmental goods and services (public goods) from farmers who would otherwise not supply them.  $^3$ 

In November 2008 the European Commission outlined proposals for a Common Agriculture Policy (CAP) Health Check. The Health Check reviewed how the 2003 reform had been implemented, focussed on how to make the Single Payment Scheme more effective, considered how to ensure CAP was still relevant, and how the CAP could adapt to new risks, challenges and opportunities.<sup>4</sup> The proposals were adopted on 25 November 2008<sup>5</sup> and all EU Member States are now required to address the new challenges posed by climate change, water regulation and renewable energy generation in their Rural Development Plans from 2014.

<sup>3</sup> Welsh Assembly Government, <u>Sustaining the Land: A Review of Land Management Actions Under Axis 2 of the Rural Development Plan for Wales 2007-2013</u>, September 2008 [Accessed 28 January 2011]

<sup>&</sup>lt;sup>1</sup> Members Research Service Quick Guide 07/1083, <u>Rural Development Funding in Wales</u>, April 2007 [Accessed 28 January 2011]

<sup>&</sup>lt;sup>2</sup> Council Regulation 2005/1698/EC, OJ L 227, 21.10.2005 [Accessed 28 January 2011]

<sup>&</sup>lt;sup>4</sup> Members' Research Service Paper 08/007, <u>EU Common Agriculture Policy: 2008 Health Check</u>, February 2008 [Accessed 1 February 2011]

<sup>&</sup>lt;sup>5</sup> Welsh Assembly Government, Elin Jones (Minister for Rural Affairs), <u>Political Agreement on CAP Health Check</u>, (Oral statement) 25 November 2008 [Accessed 28 January 2011]

#### 2. Glastir

Driven by the adoption of the CAP Health Check proposals, in September 2008 the Minister for Rural Affairs, Elin Jones, announced a review of Axis 2 schemes in Wales. The review found that the existing agri-environment schemes lacked objectives and a clear baseline with which to compare their progress. Therefore their success and the extent to which they address the Health Check proposals could not be assessed. Furthermore, existing schemes only partially addressed the *Wales Environment Strategy* objectives.<sup>6,7</sup>

Following the review, the Minister announced that **from 1 January 2012** the four existing Axis 2 schemes in Wales (Tir Cynnal, Tir Gofal, Tir Mynydd and the Organic Farming Scheme), would be merged into a new single scheme, entitled Glastir, to address the new challenges outlined in the Health Check proposals. In a statement to plenary, the Minister gave her reasons for the change:

The current schemes have been effective, but were designed in a different context. The land management scheme for the coming decade must respond to the challenges set out in the CAP Health Check Agenda, agreed last November. These challenges - climate change, carbon capture, water management and bio-diversity - will form the basis of land management schemes across Europe from 2014. Any scheme introduced today that didn't reflect these challenges may well have needed to be changed within a few years, causing upheaval to the sector and significant administrative waste. A major change to the CAP Single Payment Scheme is also anticipated in 2014 and it is important to avoid two major changes running concurrently.

I considered carefully whether the current schemes could be adapted to meet these future challenges. Tir Mynydd is a compensatory measure to recognise the additional costs and income foregone associated with farming in more marginal areas. Under the European Commission's rules for compensatory payments, this cannot be enhanced to deliver on the health check challenges within the budget available. I have therefore decided that adapting current schemes is not a viable option to secure the long term stability of the industry.<sup>8</sup>

In July 2010 the Minister further announced that the Better Woodlands for Wales (BWW) scheme would also be replaced by Glastir. Although BWW was not an agri-environment scheme, it was partially funded under Axis 2 of the Rural Development Plan 2007-2013. The scheme was administered by the Forestry

<sup>&</sup>lt;sup>6</sup> Welsh Assembly Government, <u>Sustaining the Land: A Review of Land Management Actions Under Axis 2 of the Rural Development Plan for Wales 2007-2013</u>, September 2008 [Accessed 28 January 2011]

<sup>&</sup>lt;sup>7</sup> Welsh Assembly Government, Environment Strategy for Wales: first action plan, May 2006 [Accessed 3 February 2011] The Wales Environment Strategy is the Welsh Assembly Government's long term strategy for the Welsh environment. Action 31 of the WES Action Plan states "We will use the opportunity of the revised Rural Development Plan to refocus and ensure greater targeting of our agri-environment and land management schemes to deliver our environmental priorities, in particular adaptation to climate change, tackling diffuse pollution from agriculture and enhancing biodiversity."

8 ROP, 5 May 2009

<sup>&</sup>lt;sup>9</sup> Welsh Assembly Government Press Release, <u>Woodland grants to be delivered via Glastir</u>, 26 July 2010 [Accessed 1 February 2011]

Commission and provided grants for planting, restocking and managing woodland in Wales.10

#### 2.1. Aims

The stated aims for Glastir are:

- To provide balance between the need to produce food and protect the environment11
- To be accessible to all12
- To support biodiversity, climate change and water outputs<sup>13</sup>
- To spread money for implementing agri-environment work more widely among farmers14

Glastir is designed to cover the costs incurred or income foregone as a consequence of farmers delivering environmental goods, and to encourage farmers to manage their land in a way that the impact on climate change and the environment is reduced.15

Under Glastir, dual land use claims will no longer be allowed. For example, a landlord can no longer claim for agri-environment schemes whilst a tenant is claiming for Single Payment Schemes. 16

Farms entering the scheme must maintain Good Agricultural and Environmental Conditions (GAEC) and meet the Single Farm Payment Cross Compliance standards. Contracts are held for five years.

The scheme will comprise of five components - the All Wales element, Targeted element, Common Land element, ACRES (The Agricultural Carbon Reduction and Efficiency Scheme) and the stand-alone Woodland Creation element. 17

<sup>10</sup> Forestry Commission, Better Woodlands for Wales grant guide, March 2010 [Accessed 3 February 2011]

<sup>11</sup> RoP, 16 March 2010

<sup>&</sup>lt;sup>12</sup> Welsh Assembly Government, Elin Jones (Minister for Rural Affairs), Wales Rural Development Plan: Axis 2, Oral Statement 5 May 2009 [Accessed 28 January 2011]

<sup>&</sup>lt;sup>14</sup> RoP, 8 December 2010 <sup>15</sup> RoP, 17 November 2010

<sup>&</sup>lt;sup>16</sup> Welsh Assembly Government, Glastir New Sustainable Land Management Scheme for Wales, November 2009 [Accessed 31 January 2011]

<sup>17</sup> Welsh Assembly Government, Glastir: New Sustainable Land Management Scheme for Wales, February 2010 [Accessed 27 January 2011]

#### 22 All Wales element

This entry level element of the scheme is open to all farmers in Wales with more than 3 hectares of land. It is designed to increase the number of farmers, and therefore the area of farmland, under agri-environment management in Wales<sup>18</sup>. This element provides a "gateway" to access other Glastir elements 19 - All Wales contracts are a prerequisite to all Glastir elements except the Common Land and Woodland Creation elements. Farmers will be able to choose from a list of options with each option worth a certain amount of points e.g. planting native trees, hedgerow management, retaining winter stubble and conversion of arable land of archaeological importance to permanent grassland. As with existing agri-environment schemes there will be a points threshold and each applicant will have to meet or exceed the threshold to gain entry to the scheme.<sup>20</sup> The number of points required will depend on the size of the farm, with a larger farm requiring more points.

Entrants to the scheme will receive a flat rate of £28 per hectare. Payments will be higher for farms in Less Favoured Areas (see below). Farmers entering the Targeted element will receive additional payments to these All Wales payments. This flat rate is lower than for previous schemes. Tir Cynnal payments for 2011 ranged from £45 per hectare for farms under 20 hectares in size to approximately £12.50 per hectare for farms with 200 hectares or more. 21 Average payments per hectare in 2003 for Tir Gofal ranged from £258 per hectare for farms under 20 hectares in size to £58 per hectare for farms with more than 200 hectares.<sup>22</sup> However, as these schemes did not pay flat rates per hectare they are not directly comparable with Glastir. In addition, payment for capital works is not available under Glastir as the cost of capital works has been included in the flat rate.23 Tir Gofal offered additional payments for capital works.

Within the All Wales element there are a number of secondary elements.

#### Whole Farm Code

In addition to the All Wales flat rate payment, farms adhering to the Whole Farm Code will receive £15 per hectare for the first 20 hectares, £8 per hectare for the

<sup>19</sup> Welsh Assembly Government, GWLAD Special Edition - Summer 2010: Glastir, 29 June 2010 [Accessed 27 January 2011]

<sup>&</sup>lt;sup>20</sup> Welsh Assembly Government, *Glastir Frequently Asked Questions*. November 2010 [Accessed 2 February 2011] <sup>21</sup> Welsh Assembly Government, <u>2010 Single Application Rules Booklet</u>, March 2010 [Accessed 1 February 2011]

<sup>&</sup>lt;sup>22</sup> Agra CEAS Consulting, Socio-economic evaluation of Tir Gofal: Final report for Countryside Council for Wales and Welsh Assembly Government, January 2005 [Accessed 1 February 2011]

<sup>&</sup>lt;sup>23</sup> Rural Development Sub-Committee, Written Response to the Rural Development sub-Committee's Report on Glastir by Elin Jones, Minister for Rural Affairs, 28 April 2010 [Accessed 1 February 2011]

next 30 hectares and £2.75 per hectare for the next 50 hectares.<sup>24</sup> The Whole Farm Code is a set of standards of good environmental practice, including restrictions on slurry spreading, manure and silage storage, rock extraction and vegetation burning.<sup>25</sup>

## Regional package

Farmers may either choose management options from the full list to reach their points threshold or restrict their choices to those in a Regional package. A Regional package consists of a reduced list of options which are thought to offer the greatest conservation benefit for that specific region. Farmers choosing to enter into a Regional package agreement will receive 10 per cent more points per option.<sup>26</sup>

## Upland farms

In 2011, under Tir Mynydd, farms in Less Favoured Areas (LFAs) received £28.50 per hectare for land falling within Severely Disadvantaged Areas (SDAs) and £24 per hectare for land falling within Disadvantaged Areas (DAs).<sup>27</sup> In order to compensate for the end of the Tir Mynydd scheme, which closed for new applications in 2010, those farming in LFAs will be entitled to a 20 per cent uplift in their All Wales payment to approximately £33.60 per hectare.<sup>28</sup> This will, for the first time, include dairy farms in LFAs. Under Glastir, no distinction is made between DAs and SDAs within LFAs.<sup>29</sup>

## Organic farms

The **points threshold** required for entry into Glastir is reduced **by 50 per cent** for farms where all of the land entering the scheme is certified as organic. Financial support for organic conversion will be available through Glastir only – organic farms choosing not to enter the All Wales element will not be eligible.<sup>30</sup>

<sup>&</sup>lt;sup>24</sup> Welsh Assembly Government, <u>Glastir Frequently Asked Questions</u>, November 2010 [Accessed 2 February 2011]

<sup>&</sup>lt;sup>25</sup> Welsh Assembly Government, <u>Glastir: New Sustainable Land Management Scheme for Wales</u>, February 2010 [Accessed 27 January 2011]

<sup>26</sup> ibid

<sup>&</sup>lt;sup>27</sup> Rural Development Sub-Committee, *Inquiry into the Future of the Uplands in Wales: Briefing Paper*, 4 February 2010 [Accessed 1 February 2011]

<sup>&</sup>lt;sup>28</sup> Welsh Assembly Government, Elin Jones (Minister for Rural Affairs) Wales Rural Development Plan: Axis 2, Oral Statement 5 May 2009

<sup>&</sup>lt;sup>29</sup> Welsh Assembly Government, <u>2010 Single Application Rules Booklet</u>, March 2010 [Accessed 1 February 2011]

<sup>&</sup>lt;sup>30</sup> Welsh Assembly Government, <u>Glastir: New Sustainable Land Management Scheme for Wales</u>, February 2010 [Accessed 27 January 2011]

## Dairy farms package

The Dairy Farms package offers the same options as the standard All Wales element. However, to ensure Glastir was inclusive of dairy farms, the points available for options in the All Wales element that were most relevant for dairy farms, such as grassland management, were increased by 10 per cent.<sup>31</sup>

## 2.3. Targeted element

This upper level element will be spatially targeted, focussing on six areas of concern:

- soil carbon management
- water quality
- water quantity management
- biodiversity
- the historic environment
- improved access.32

The targeted element will only be open to farmers within a pre-defined area, who are part of the All Wales scheme, and who are able to deliver the desired outcomes. Actions in the upper level scheme will be prescribed and aim to work at a collaborative or catchment scale although the Welsh Government states that there will be some flexibility in the implementation of the prescribed actions at individual farm level through negotiation between farmers and project officers.<sup>33</sup> Indicative payment rates to date range from £2 per conifer tree removed to over £2,000 per hectare for rhododendron removal.<sup>34</sup>

#### 2.4. Common Land element

Farmers who hold rights to common land and have also formed a Grazing/Commoners' Association may claim Glastir payments for common land. Where a Commoners' Association is not yet in place, a designated Lead Grazier may complete the application. However, a Commoners' Association containing at least 80 per cent of active graziers must be formed by the 31 December 2013.

<sup>&</sup>lt;sup>31</sup> Welsh Assembly Government, *The dairy farm package*, May 2010 [Accessed 31 January 2011]

<sup>&</sup>lt;sup>32</sup> Welsh Assembly Government, <u>Glastir: New Sustainable Land Management Scheme for Wales</u>, February 2010 [Accessed 27 January 2011]

<sup>33</sup> Welsh Assembly Government, Glastir Frequently Asked Questions, November 2010 [Accessed 31 January 2011]

<sup>34</sup> Welsh Assembly Government, Glastir Targeted Element, October 2010 [Accessed 2 February 2011]

Common Land Development Officers have been appointed to assist with establishing Grazing/Commoners' Associations for entry to Glastir.<sup>35</sup>

The common land option does not operate on a points based system. Instead, all common graziers must either:

- Adhere to a closed period of 3 consecutive months between 1 November and 31 March each year where all stock must be removed from the common or:
- Manage sward height throughout the year through changes in stocking density. Sward height requirements will depend on the range of vegetation types on each specific common<sup>36,37</sup>

The Commoners' Association must ensure all graziers adhere to the conditions of the Glastir contract and will be held responsible for the actions of all graziers on the common, regardless of whether or not those graziers are part of the Association.<sup>38</sup>

Where a single grazier holds rights to an area of common land, he/she must include this in their in-bye land and apply for the All Wales element.<sup>39</sup>

# 2.5. The Agricultural Carbon Reduction and Efficiency Scheme (ACRES)

ACRES is open to farms who have operational All-Wales Glastir contracts and provides capital grants of **between £3,000 and £50,000** covering up to **40 per cent of the cost of purchasing equipment** for energy efficiency, energy generation and rainwater collection.<sup>40</sup>

#### 2.6. Woodland Creation

The Woodland Creation element (WC) replaced the Better Woodlands for Wales scheme in January 2011. This element is open to all land managers – an All Wales contract is not a prerequisite. WC will operate as a stand-alone scheme until it is

<sup>35</sup> Welsh Assembly Government, Gwlad, Issue 102 (p 4-5), January 2011 [Accessed 27 January 2011]

<sup>&</sup>lt;sup>36</sup> Welsh Assembly Government, <u>Glastir: New Sustainable Land Management Scheme for Wales</u>, February 2010 [Accessed 27 January 2011]

<sup>&</sup>lt;sup>37</sup> Welsh Assembly Government, <u>Glastir Information Sheet Four: The All-Wales Common Land Element</u>, February 2010 [Accessed 31 January 2011]

<sup>&</sup>lt;sup>38</sup> Welsh Assembly Government, *Glastir Common Land Element: Setting up a Commoners' or Graziers' Association*, November 2010 [Accessed 3 February 2011]

Welsh Assembly Government, <u>Glastir and sole grazed commons</u>, November 2010 [Accessed 31 January 2011]
 Welsh Assembly Government, <u>Glastir: New Sustainable Land Management Scheme for Wales</u>, February 2010 [Accessed 27 January 2011]

integrated with Glastir in January 2013.<sup>41,42</sup> Three grants are available under this element:

- Establishment grants a land manager can claim this grant for the year that tree planting is carried out plus two subsequent years. In the first year payments range from £500 per hectare for small simple woodland to £3,500 per hectare for planting native species at a density of 2,500 per hectare. Payments decrease in subsequent years to between £150 and £500 per hectare.
- Fencing grant £3.15 per metre is available towards fences, gates and stiles
- Income foregone grants (Woodland creation premium) farmers may claim £300 per hectare per year for 15 years and land managers may claim £66 per hectare per year for 15 years.

Woodland must remain stock free for 10 years following first payment, or 15 years if claiming the Woodland Creation Premium.<sup>43</sup>

## 2.7. Transitional Arrangements

In response to concerns raised during the review period about the transition from existing Axis2 schemes to Glastir, the Minister for Rural Affairs, announced a number of transition plans.<sup>44</sup> Tir Cynnal and Tir Gofal schemes have been closed to new applicants but those with existing agreements will be offered an extension and are able to remain in those schemes **until the end of 2013** when they will be required to transfer into the Glastir scheme if they wish to continue to receive payments. Existing agreement holders in the Organic Farming scheme will also be able to enter Glastir when their current agreements come to and end.<sup>45</sup> Farms **cannot receive Glastir payments for work previously completed under Tir Gofal** or Tir Cynnal, such as habitat creation.<sup>46</sup> **Final Tir Mynydd payments will be made in 2012.** Farmers will receive the full payment rate for eligible land in 2012, not 60 per cent in 2012 and 30 per cent in 2013 as was previously announced.<sup>47</sup>

<sup>&</sup>lt;sup>41</sup> RoP, p96, 27 January 2011, Rural Development Sub-Committee

<sup>&</sup>lt;sup>42</sup> Welsh Assembly Government Press Release, <u>Woodland grants to be delivered via Glastir</u>, 26 July 2010 [Accessed 1 February 2011]

<sup>&</sup>lt;sup>43</sup> Welsh Assembly Government, <u>Glastir Woodland Creation Scheme Rules</u>, December 2010 [Accessed 1 February 2011] <sup>44</sup> Welsh Assembly Government, Elin Jones (Minister for Rural Affairs) <u>Transitional arrangements within the Axis 2 of the Rural Development Plan associated with the launch of the new Glastir Scheme</u>, Cabinet Written Statement, 14 July 2007 [Accessed 15 January 2010]

<sup>&</sup>lt;sup>46</sup> RoP, p100, 27 January 2011, Rural Development Sub-Committee

<sup>&</sup>lt;sup>47</sup> Welsh Assembly Government, <u>Welsh farmers to receive full Tir Mynydd payments in 2012</u>, 16 December 2010 [Accessed 3 February 2011]

On the 23 November 2010 the Minister for Rural Affairs announced that she had commissioned an independent review into the All Wales element of Glastir. The review will consider the application process, the practicalities of implementing the prescriptions for management options at the farm level and whether the prescriptions will achieve the desired outcomes. 48 This may result in changes to the prescriptions available to farmers under the All Wales Glastir. However the basic structure, principles and outcomes of Glastir will not be changed. Changes will apply to farms entering the 2011 round of applications for entry in 2013. Farms that have already entered the 2010 round of application for entry in 2012 will be able to choose whether or not to modify their contracts in line with these changes. 49 The Minister for Rural Affairs has asked the Chair of the Independent Review to report back to her by the beginning of March.

In the first round of applications (2010), **2,904 farms applied** for the All Wales element of Glastir. 50 To date it is not known how many of these applications will result in agreements. Around 3,100 Tir Gofal and 4,300 Tir Cynnal agreements have been extended until 2013.51

The Welsh Government has published information booklets on Glastir which can be accessed here:

http://wales.gov.uk/docs/drah/publications/100111glastiranewstarten.pdf http://wales.gov.uk/docs/drah/publications/100407glastirinserten.pdf

#### Other UK agri-environment schemes 3.

## England: Environmental Stewardship Scheme

The Environmental Stewardship agri-environment scheme (ESS) for English farmers is very similar to Glastir. Launched in March 2005, ESS replaces the Hill Farmers Allowance, Countryside Stewardship scheme, Environmentally Sensitive Areas scheme and Wildlife Enhancement scheme. Contracts are held for five years, with the exception of the Higher Level Stewardship (see below).

<sup>48</sup> Welsh Assembly Government, Elin Jones (Minister for Rural Affairs), Review of the All-Wales Element Applications under the Glastir scheme, Cabinet Written Statement, 18 January 2011

<sup>49</sup> ihid

<sup>&</sup>lt;sup>51</sup> Minister's Report to the Rural Development Sub-Committee, RDC(3)-02\_11, 27 January 2011

The scheme is comprised of four elements. 52,53

1. Entry Level Stewardship (ELS) is a points-based whole farm agreement similar to Glastir's All Wales element. Farmers and land managers can choose from over 60 basic land management options e.g. extended overwinter stubble and hedgerow management. Qualifying farmers receive payments of £30 per hectare per year, with the exception of non-SDA land parcels of 15 hectares or more above the moorland line, which receive £8 per hectare per year. Payments for capital works are not available.

**Common land** or shared grazing is eligible for ELS. To enter an agreement, one application must be completed for the entire area of common land or shared grazing, and must be signed by either **the land owner**, a member of the **commoners' association**, or if no association is in place, **any active grazier** who is willing to take responsibility for the ELS commitment and liabilities for non-compliance.

- 2. Organic Entry Level Stewardship (OELS) is similar to ELS but organic farmers, or those converting to organic, receive higher payments of £60 per hectare per year.<sup>54</sup>
- 3. Uplands Entry Level Stewardship/Uplands Organic Entry Level Stewardship (Uplands ELS/Uplands OELS) was launched in February 2010 to reward farmers in SDAs for delivering landscape and environmental benefits e.g. sheep fencing around woodlands and hedgerow restoration. The first agreements started from July 2010 and a target of 80 per cent uptake by farms in SDAs has been set for 2015. This element replaced the Hill Farm Allowance (HFA).

Payments are higher than for Glastir's similar Uplands All Wales Element. Non-organic farmers receive £62 per hectare per year for SDA land below the Moorland Line or SDA land parcels smaller than 15 hectares above the Moorland Line and £23 per hectare for SDA parcels larger than 15 hectares above the Moorland Line. A supplementary payment of £5 per hectare is available on common land with two or more active graziers. However, a Commoners' Association is a requirement for the Uplands ELS common land supplement and a number of restrictions apply e.g. to supplementary

<sup>&</sup>lt;sup>52</sup> Natural England, <u>Entry Level Stewardship Environmental Stewardship Handbook Third Edition,</u> January 2010 [Accessed 26 January 2011]

<sup>53</sup> Defra, Environmental Stewardship, Webpage [Accessed 26 January 2011]

<sup>&</sup>lt;sup>54</sup> Natural England, <u>Organic Entry Level Stewardship Environmental Stewardship Handbook Third Edition</u>, February 2010 [Accessed 26 January 2011]

feeding.<sup>55</sup> Organic farmers receive up to **£92 per hectare** per year for SDA land <sup>56</sup>

4. Higher Level Stewardship (HLS) is similar to the Targeted element of Glastir. HLS is usually underpinned by one of the Entry Level Stewardships; however this is not a requirement. The scheme targets biodiversity, landscape, historic features and resource protection in high priority areas. In addition, this element provides opportunities for educational visits to farms for schools and special interest groups and access to the countryside. HLS agreements are competitive ten-year agreements involving complex and specialised land management. Farmers can choose from over 90 management options e.g. wild bird seed mix plots, maintaining ancient trees in arable fields and restoration of wet grassland for wading birds. Payments range from £25 per ancient tree to £700 per hectare for the creation of inter-tidal and saline habitat on arable land. Payments towards capital works are also available.<sup>57</sup>

To assist farmers in applying to the Environmental Stewardship Scheme, Natural England are running information workshops and offering farm visits nationwide.

As of the 13 December 2010 over **45,000 ESS agreements** were in place. Including ongoing predecessor agri-environment scheme agreements, this amounts to nearly **70 per cent of England's farmland** covered by 57,000 agrienvironment agreements. However, the first round of applications was not as successful. Of the 60,000 applications sent out, only 10,600 agreement were in place by early December 2005. 9

In its early stages the all-inclusive broad brush approach of the ELS element of ESS was welcomed by the farming industry and environmental groups. However, the benefits have been questioned by some ecologists who felt that if the aim of the scheme is to protect biodiversity then perhaps resources should have been targeted at fewer, high quality farms<sup>60</sup>. There is also concern that farmers who wish to do more than is required for the ELS, but do not qualify for the HLS, are not rewarded.<sup>61</sup>

<sup>55</sup> Natural England, Entry Level Stewardship Environmental Stewardship Handbook Third Edition, January 2010 [Accessed 26 January 2011]

<sup>&</sup>lt;sup>56</sup> Natural England, <u>Organic Entry Level Stewardship Environmental Stewardship Handbook Third Edition</u>, February 2010 [Accessed 26 January 2011]

<sup>&</sup>lt;sup>57</sup> Natural England, <u>Higher Level Stewardship Environmental Stewardship Handbook Third Edition</u>, February 2010 [Accessed 26 January 2011]

<sup>58</sup> Natural England, Environmental Stewardship Update, January 2011 [Accessed on 26 January 2011]

<sup>59</sup> Parliamentary Office of Science and Technology, Farmland and Wildlife: Postnote 254, December 2005 [Accessed 31 January 2011]

<sup>60</sup> ibid

<sup>61</sup> ibid

#### 3.2. Scotland: Rural Development Contracts

The Rural Development Contracts (RDCs) offered in Scotland are wider than agri-environment schemes elsewhere as they also include options addressing Axes 1 and 3 of the CAP Rural Development Pillar. Contracts are held for 5 years with an option to extend to 10 years.

RDCs comprise of two schemes:

1. Land Managers' Options (LMO)<sup>62</sup> is an entry level scheme that supports farmers in the provision of economic, social and environmental benefits. Farmers can choose from a list of low input options e.g. Skills Development Training (Axis 1), biodiversity cropping on in-bye land (Axis 2) and improving public access routes (Axis 3).

LMO is open to all farmers - **no qualifying points threshold applies** as for Glastir and ESS. Instead, farmers can choose any number of options up to their yearly allowance which is set at a maximum of £75 per hectare for the first 10 hectares, declining as land size increases.

A farmer's share of **common land** will contribute towards his/her allowance. However, agri-environment, access and woodland options cannot be undertaken by single graziers on common grazing. Commoners'/Grazing Associations applying for LMO can undertake any option on common land. However, where simultaneous LMO applications are made on the same land (i.e. from single graziers and the Common Grazing Association), the same option cannot be claimed by both single graziers and the Common Grazing Association.

2. Rural Priorities (RP)<sup>63</sup> is a competitive upper level scheme targeting regional Axis 1, 2 and 3 priorities. Priority areas for 11 Scottish regions were agreed with stakeholders. Options include manure/slurry storage and treatment, rhododendron eradication and reducing bacterial contamination in water. Support for Axis 1 options is capped at £250,000.<sup>64</sup>

In addition to the RDC, Scottish farmers with more than three hectares of LFA land may apply for the Less Favoured Areas Support Scheme. Payments range between £32.50 per hectare to £71.35 per hectare dependent on stocking density and area "fragility" determined from transportation costs. Farmers will

<sup>&</sup>lt;sup>62</sup> The Scottish Government, <u>Rural Development Contract: Land Managers' Options Notes for Guidance</u>, 31 March 2008 [Accessed 28 January 2011]

<sup>&</sup>lt;sup>63</sup> The Scottish Government, Rural Development Contracts: Rural Priorities, December 2007 [Accessed 28 January 2011]

<sup>&</sup>lt;sup>64</sup> The Scottish Government, <u>Fresh Focus for Rural Priorities</u>, 3 August 2010 [Accessed 28 January 2011]

receive a **minimum payment of £385** or their calculated allowance, whichever is greater.<sup>65</sup>

#### 3.3. Northern Ireland: NI Countryside Management Scheme

**Similar to Glastir**, The Northern Ireland Countryside Management Scheme (NICMS) is a two tier scheme, open to all farms in Northern Ireland. 66 However, contracts are held for **10 years** and **no points threshold** for entry applies.

1. Whole farm payments are open to all farms. No points threshold for eligibility applies as for Glastir and ESS. Instead, farms must maintain their land in Good Agricultural and Environmental Condition (GAEC) and achieve a Minimum Level of Environmental Benefit. This includes attending environmental training courses, following a Farm Nutrients and Waste Management plan, restrictions on herbicide and pesticide use, and following prescribed management requirements for all habitats on the farm. Farms must also enhance one habitat or historic monument on the farm. Where the farm consists of only improved/semi-improved grassland or arable, the farm must carry out one biodiversity option and one water option, e.g. retaining winter stubble (biodiversity) and planting a riparian zone with native trees (water).

Farms may enter their share of **common land** into the agreement providing all other active graziers have also done so. Moorland should be closed for grazing for part of the year. The closed period is dependant on the type of moorland and grazing stock. For example, heather moorland should be closed between 1 November and 28/29 February each year (sheep) or 1 September to 31 May (cattle on wet heath). Further restrictions apply to stocking densities and activities such as supplementary feeding, peat cutting and burning.

2. Enhancement Measures offer additional payments for environmental enhancement. Options include the addition of bird and bat boxes, river bed enhancement, bracken and rhododendron control and heather regeneration.

<sup>&</sup>lt;sup>65</sup> Rural payments and Inspections Directorate, <u>Less Favoured Areas Support Scheme LFASS 2010-2013 Explanatory Notes</u>, April 2010 [Accessed 28 January 2011]

<sup>6</sup> DARDNI, Countryside Management Scheme 2007-2013 Information booklet, [Accessed 31 January 2011]

Annual payments range from £20 per hectare to £500 per hectare dependant on existing habitats on the farm and any additional enhancement measures the farmer chooses.<sup>67,68</sup>

Competitive **Special Environment Projects** of **up to £5000** may also be funded under NICMS (£6,000 if the project is a joint proposal with other agreement holders). Projects may, for example, restore traditional farm buildings, impose silage cutting regimes which benefit ground nesting birds and Irish hare, or create new habitats. Proposals must meet the aims of the NICMS and offer value for money.

Although provision is not made for upland or LFA farms within the NICMS, a number of options are available which are specific to upland farms e.g. moorland management. For example, a 100 hectare upland farm with heath moorland, rough moorland grazing and semi-improved grassland may be eligible for £64,000 over the 10 year period of an NICMS agreement. Farms in LFAs may also apply for the Less Favoured Area Compensatory Allowances Scheme (LFACA).

**Scheme** to help with the costs associated with conversion, providing they have not claimed for the Organic Management option under the NICMS. Payments range from £330-470 per hectare in the first year of agreement to £30 per hectare in the fifth (final) year of agreement.<sup>70</sup>

#### 4. Further information

For further information on the topics below, double click on the links.

Welsh Government Website on Glastir

Natural England Website on Environmental Stewardships

The Scottish Government Website on Land Managers Options and Rural Priorities

DARDNI (Department of Agriculture and Rural Development Northern Ireland) Website on <u>Countryside Management</u>

<sup>&</sup>lt;sup>67</sup> DARDNI, What is the Countryside Management Scheme worth to my farm?, Webpage [Accessed 31 January 2011]

<sup>68</sup> DARDNI, <u>Countryside Management Rates of Payment 2008</u>, [Accessed 31 January 2011]

<sup>69</sup> DARDNI, Countryside Management Scheme- upland options, Webpage [Accessed 31 January 2011]

<sup>&</sup>lt;sup>70</sup> DARDNI, Organic Farming Scheme Information Booklet 2007-2013, [Accessed 31 January 2011]