

Country report on the implementation of the new CAP and its possible effects on permanent pastures:

The United Kingdom

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Open birch wood pasture at Letterewe. Mick Crawley, Creative Commons Licence

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October 2015

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This report was part-funded by the European Commission (DG Environment) through the LIFE+ NGO support grant and by the Asociación Trashumancia y Naturaleza. Its content is solely the responsibility of the authors and does not necessarily reflect the views of the funders.

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Introduction

Agriculture is a devolved power in all 3 cases in the UK (Scotland, Wales and Northern Ireland); English agricultural matters are run by an England-only administration (Defra) but under the control of UK Ministers and the UK parliament. The environment is similarly devolved, but habitat conservation status for Article 17 reporting is carried out using a single methodology coordinated by the Joint Nature Conservation Committee (JNCC) made up of representatives of the various competent authorities in the four countries.

1. Pillar 1 payments for permanent grasslands

1.1. EU framework

Different countries have different systems for calculating Pillar 1 basic payments. Most EU12 countries and some EU15 have a flat-rate system for all farmland; some have a flat-rate system but with a lower payment specifically for certain types of land; some have a regionalised system designed to maintain as far as possible the historic distribution of payments (generally keeping very low payments on permanent grasslands and much higher payments on irrigated cropland). As a consequence, similar types of land with similar livestock use have very different levels of payment across the EU.

1.2. Use of payment regions

Three approaches to payment regions are being taken in the UK:

- Single region (Northern Ireland, final Welsh implementation)
- Zonal region (England, initial Welsh proposal)
- Virtual regions made up of all the parcels fulfilling certain criteria (Scotland)

Uniquely in the UK, and quite unusually in the EU context, England ended the last programming period with standard regional SPS entitlement values (Northern Ireland had a mixed model – partly historic, partly regional – which was fixed over the budgetary period). They have thus been able to choose not only to implement the Basic Payment in a similar way but to transfer over existing SPS entitlements into BPS entitlements without, in most cases, having to establish them anew.

England had and has three zonal payment regions:

- Areas considered as Severely Disadvantaged (SDA) in the delimitation of the former LFA *and* above a separately defined 'Moorland Line' (which is intended to reflect the change in actual land cover along the edge of upland rough grazings)
- Areas considered as SDA but not within the Moorland Line
- Non-SDA land

In Wales, three zonal payment regions were originally proposed: moorland above 400m; the severest class of LFA (SDA); and other land. While this was at face value similar to England, the decision to take the arbitrary 400m contour as a boundary to the moorland region rather than defining a more precisely-delineated boundary proved decisive. Since the proposed payment for the moorland was to be much lower than for the adjacent LFA-SDA, the decision was subjected to legal challenge by some of the farmers affected. Similarly poor land can be found on areas falling below the 400m contour and the arbitrariness was clear enough for the Welsh Government to have withdrawn its proposal before the case got to court. After a consultation¹ in which it made clear that it considers the LFA boundaries (which were set some time ago) also to be potentially equally open to challenge (it is likely that *better* land is by now to be found within the old boundary), it

¹ <http://gov.wales/docs/drah/consultation/150331-basic-payment-scheme-proposals-en.pdf>

opted for a single region approach, though promising to look at the situation when the opportunity arose, notably when the ANC delimitation rules are finalised.

In Northern Ireland, a single payment region is proposed.

A different approach is being taken in Scotland where the proposed three regions are in effect operated at the field-scale:

- Payment Region 1 – includes better quality agricultural land that has been used for arable cropping, temporary grass and permanent grass
- Payment Region 2 – includes rough grazing with a Less Favoured Area (LFA) grazing category of B, C, D, or is outside the LFA
- Payment Region 3 – including rough grazing with a Less Favoured Area (LFA) grazing category of A

These LFA ‘grazing categories’ are in fact a link to historic grazing levels (2009 or 2013 or the first claim year), so that Payment Region 3 corresponds to historic livestock densities of up to 0.19 LU/ha, while Payment Region 2 is targeted at land which historically had stocking densities above this value or is assumed to have had such densities (non-LFA land). Region 1 payments are not linked to stocking densities at all, only to land use.

1.3. Payment rates, redistributive criteria and small farmers

1.3.1. Payment rates

In England, although there are formally three payment regions, a decision was taken in 2014² that payments in the non-moorland regions should be equalised at roughly €244/ha, with the moorland rate being around €70/ha.

In Wales, it has been decided that a higher rate will be paid for the first 54 ha of a claim, with the transition being completed by 2019. The Government estimates that the payments will be around €234 for first 54 ha and €119/ha for the remaining land. No cap is proposed.

In Northern Ireland, a single payment region with no farm-level adjustments would result in a final payment rate of approximately €329.

The unadjusted payment rates in Scotland’s three payment regions are estimated to be:

- Payment Region One €145.00
- Payment Region Two €25.00
- Payment Region Three €7.00

1.3.2. Use of reduction coefficients

The system of reduction coefficients for pastures with trees and landscape features is not in use in any of the UK countries.

1.4. Implications for pastures

The complexity of the implementation model used reflects the magnitude of the redistribution issue, its politics and (in the case of Wales) the confidence of the administration that it can limit that redistribution through a legally-defensible use of the payment region mechanism.

In all of the countries, there has been *some* willingness to ‘move the payments up the hill’ – to redistribute from the most productive farming regions, where historic payments were highest, to

² https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/308949/government-decision-moorland-rate.pdf

more disadvantaged farms in the LFA. In England, with its regional implementation model for SPS, this process was already well under way; the decision to simplify the number of payment levels even more from three to two continues this trend. Northern Ireland has gone furthest, with the promise of a single rate for all farmers at some point which was implied in the former static mixed implementation model actually being put into practice.

However, apart from in Northern Ireland, creating one region with a single rate over the whole country has proved politically too difficult and is perhaps regarded as undesirable in principle in some administrations. The numbers of farmers concerned (the potential 'winners') are, except in Scotland, relatively few in number, and they would 'take' from a much larger number of losers. It is also obvious that the value to society of marginal farmers *as farmers*, or the lack of it, is still being largely assessed by their peers and Government departments in terms of their output of agricultural produce.

Scotland in particular has been very resistant to a simple transfer to the areas of poorest land (and away from the better land and from beef producers in particular). Here an additional complication is the strong desire, shared across civil society groups, to avoid paying BPS on land not in fact used for agriculture (in the real sense, rather than the one used in the EU Regulations that includes the concept of minimum maintenance without farming). There are approximately 1.5 million hectares of such UAA which has not thus far been used for claims, out of a total of around 6 million ha.

The obvious solution is to insist that it *is* used for farming (see below), but the difficulties erected in the way of an effective discriminatory criterion by both the Regulation and (seemingly) the Commission's mindset are so great that having a payment which is not too attractive has emerged as an apparently essential part of the deterrent against such undesirable claims.

A further issue arising from a possible mismatch between the payment level and the level of (unprofitable) activity which needs to be undertaken to qualify for that support is the likely capitalisation of the payments into land values (economic rents), with little or no public benefit. This is another big potential problem in Scotland in particular. The decision to use coupled payments (see below) in a much wider way than in 2007-13 and the quirky way in which Scotland implements the ANC payments (see below) reflect in part the desire to mitigate the administration's perceived *inability* to limit direct area payment to those genuinely engaged in agriculture, as well as to limit redistribution away from the lowland beef farmer.

In summary, it is impossible to judge the fairness or effectiveness of BPS rates (or indeed whether a farm is a 'winner' or a 'loser' relative to former payment levels) without taking into account the whole spectrum of support measures as well as whether they are freely available or discretionary in nature.

2. Pillar 1 coupled payments for livestock

2.1. Implementation, including objectives and any targeting criteria that are applied to favour certain farming systems

Of the 4 UK administrations, only Scotland has decided to use coupled payments for livestock. In doing so, it is continuing what is by now an established tradition in the suckler cow sector, with the Government trying to counteract the relative disadvantage of the sector relative to sheep. For more intensive beef producers, it is likely that another motive is to counteract the redistribution implicit in the regional BPS payments. The Scottish Government is also extending coupled payments to the sheep sector for the first time, trying thereby to address another perceived weakness of the BPS – its

failure to insist on real active farming - and the difficulties caused by the Government's response to that weakness, namely very low BPS payment rates on the most marginal land.

The Scottish Suckler Beef Support Scheme is available to all farmers in Scotland and is paid to the holding of birth of calves which are at least 75% beef breed, as long as they stay on that holding for 30 days. There is neither a limit on the number of animals claimed nor a higher rate of payment for the first few animals (unlike some previous versions of coupled support in this sector). Payment levels will depend on the number of claims, but is estimated to be €100 per animal on the Scottish mainland and €160 on island-born calves.

The Scottish Upland Sheep Support Scheme is rather more complex. It is paid on home-bred ewe hoggs (young females destined for breeding, but which have usually not yet been to the ram) retained on the holding between 1st of October in the year of claim and 31st of March the following year. Only 'businesses that rely on poor quality rough grazing' are eligible. These are defined as those which have: a) 80 per cent or more of their agricultural land in Scotland's Basic Payment Region 3 and b) less than 200 hectares of good quality agricultural land in Scotland's Basic Payment Region 1. There is an upper limit to claims of 1 hogg per 4 hectares (i.e. roughly equivalent to a stocking of 1 ewe/ha). There is no restriction on breed nor on where on the holdings the animals in fact graze. The payment rate will depend on the number of claims, but is estimated that it will be around €100/hogg.

2.2. Implications for pastures

Whether the decision of England, Wales and Northern Ireland not to use coupled payments as a way of addressing the weaknesses of the active farmer rule will prove to be sensible remains to be seen, especially when neither administration has chosen to implement upland-specific rules relating to grasslands managed by established local practices in place.

Interesting anecdotal evidence from Scotland's lowland BPS region 1 suggests that the decision not to have minimum stocking rules there has already led to a rise in inactive claimants (people who formerly let out their land to active farmers who then claimed the payments). How much greater is the temptation on land where active farming is potentially loss-making? Time will tell.

On the other hand, Scotland's widening of the scope of coupled payments seems to have both positive and negative aspects. Thanks to the *idées fixes* of the Commission, the Government has not had a completely free hand in trying to use the different tools in a balanced way in order to achieve its objectives. It is difficult not to agree with its view that there *was* a real danger of widespread abandonment and of continued destocking of the suckler herd from the hills and more marginal islands. And better to tie the payments to *something* rather than a vague idea of land maintenance, potentially all too easily divorced from the costs associated with actual farming.

On the other hand, some aspects of the payments are too obviously an attempt to support the status quo – the availability of beef payments to all farmers, whatever their system and without a cap or degression, is an obvious example. And complex rules (again, something forced upon the Government to some extent) could have unintended negative consequences, too arcane to explain here, for users of common grazings in particular circumstances (Janette Sutherland, pers. comm.). It remains to be seen whether other apparent loopholes (such as allowing the hogg payment to be claimed on any type of sheep on the farm, irrespective of whether they graze the hill) or potential weaknesses (e.g., the very high threshold of 80% of land having to be in Region 3, when some Region 2 land can be very poor) will have major impacts. The interaction with ANC payments only makes for further complication which can only be teased out in real world examples.

3. Pillar 1 eligibility rules for pastures with landscape features and trees

3.1. EU Framework

EC DELEGATED REGULATION 640/2014 on IACS sets out the options for MS to design eligibility rules for pastures with landscape features and trees. This is supplemented by the LPIS Guidance Document [DSCG/2014/33 – FINAL]. These texts are critical to the issues that interest us. It is difficult to summarise all the options in these documents without repeating large sections of the texts.

There is a key choice for MS on how to calculate a parcel's eligible area: either subtracting each ineligible feature, including a limit on the permitted number of trees per hectare; or applying a pro-rata reduction in proportion to the percentage of the parcel covered by ineligible features.

Some key points:

- Pastures that consist of >50% trees and/or shrubs should be classified as PG-ELP (permanent grassland with established local practices), and should appear as such on the national LPIS. If the trees/shrubs are grazable "for their whole area" (i.e. entirely accessible to grazing), then there is no upper limit. In this case the pasture can consist predominantly of trees/shrubs, but it must be classed as PG-ELP on the LPIS.
- Trees and shrubs that are NOT grazable for their whole area can be eligible only up to a limit of 100 trees per hectare. If there are more than 100 trees per hectare, then the whole parcel is ineligible.
- Alternatively, MS may apply a pro-rata system or "reduction co-efficient", designed to reduce the eligible area of a parcel in proportion to the presence of ineligible features. There should be no reductions for the presence of grazable trees and shrubs.
- Groups of trees that hamper agricultural activities should not be eligible, they should be classed as woods.
- Landscape features and trees can be protected under MS implementation of GAEC7 (see below), this makes them automatically 100% eligible, even if they are not grazable.

The new category of PG-ELP is very important, as it provides the opportunity for pastures that are predominantly ligneous to be 100% eligible. Under the EU definition of PG-ELP, *established local practices shall be any or a combination of the following:*

- *practices for areas for livestock grazing which are traditional in character and are commonly applied on the areas concerned;*
- *practices which are important for the conservation of habitats listed in Annex I to Council Directive 92/43/EEC (1) and of biotopes and habitats covered by Directive 2009/147/EC of the European Parliament and of the Council (2).*

3.2. Approach applied to grazable and non-grazable vegetation, accessible vegetation, patches of shrubs/trees, etc.

3.2.1. Treatment of pastures with trees

In England, land with trees is eligible if the trees:

- are scattered within an agricultural land parcel
- allow agricultural activity to be carried out in the same way as in parcels without trees
- They are not eligible if they prevent the growth of vegetative under-storey (plants growing beneath the canopy of the trees) that is suitable for grazing. Farmers don't need to reduce the area of land they claim for if they have eligible trees on it (they don't need to deduct the area taken up by tree trunks or tree canopy).

This very liberal English implementation is related to the wording of their GAEC standards (see 3.3 below), but whereas these are really quite unexceptional, the realisation of the possibilities they open up for the eligibility of trees on pastures is truly exceptional and noteworthy.

In Scotland, trees (other than orchards) are considered ineligible features. However, unless the parcel is wholly woodland and fenced off, such areas are subject to an assessment of the eligible grazeable understorey and to a proportional reduction in the area declared based on the findings – in the best case, only the trunk area would need to be excluded.

In Wales, parcels and areas of parcels with the equivalent of >100 trees/ha are ineligible in all circumstances, unless the trees are in a boundary feature. Where there are fewer than 100 trees/ha the area of trunks and other non-grazeable features must be deducted.

In Northern Ireland, no grazed woodland with >50 trees/ha is eligible, except in the case of the early years of an agroforestry plantation, provided agricultural activity remains predominant and is not significantly affected by the presence of trees. For other grazed woodland, a deduction only needs to be made for any areas of bare ground under the trees.

3.2.2. Treatment of other features

In England, 'dense scrub' is not eligible, but bracken, saltmarshes, reedbeds and scrub, including gorse bushes and briar are eligible as permanent grassland if they are managed so that:

- grasses and other herbaceous forage remain predominant, and
- it's suitable for grazing.

While man-made surfaces are ineligible, unfenced grass tracks with a natural surface are eligible when used as part of the agricultural activity carried out on the land parcel (examples include tracks, paths and bridleways).

In Scotland, foreshore and all standing and running water is considered ineligible; bracken, gorse, marsh and scrub are ineligible but to be treated in the same manner as trees (proportionate reductions in claimed area).

Wales takes the same approach as Scotland. Heather is eligible in all three countries.

In Northern Ireland, scrub, rush and bracken are ineligible and the area claimed must be deducted (areas of dense scrub, rush or bracken) or reduced proportionately where the scrub, rush or bracken is scattered. In the case of rush, the guidance says:

Rush is ineligible if it is present in areas which are:

- *inaccessible to grazing livestock, or*
- *abandoned, that is, not in agricultural use, or*
- *not grazed within the past two years, or*
- *cannot support grazing livestock, for example, if it is too wet (swamp in nature), or impenetrable (rank and difficult to walk through).*

Areas of agricultural fields covered by rush which are impenetrable (tall, brown, difficult to walk through) are ineligible and must be deducted from the area you are claiming. Similarly, areas in fields which have no agricultural value due to the presence of rush combined with briars, nettles, etc are ineligible.

In Northern Ireland, heather is treated in the guidance along with 'bogland'.

The European Commission has advised that heather can be considered eligible on a case-by-case basis, providing it is capable of sustaining agricultural activity, for example, grazing livestock, and is maintained in good agricultural and environmental condition.

On this basis, heather is considered eligible if it is:

- *accessible to grazing livestock, and*
- *has significant forage value, and*
- *is used for agricultural purposes, that is, grazed by livestock and/or management of heather such as flailing or controlled burning has been carried out.*

If evidence of agricultural activity is only present on part of a field, then the remainder of the field will be ineligible.

Heather is ineligible if it is:

- *inaccessible for grazing animals,*
- *or over mature, that is more than 50 cm tall*

In fact, a maximum of 20% of the heather-dominant area is allowed to be over-mature, since it is accepted that such heather should ideally form part of the mosaic from a biodiversity perspective. There is also a recognition that western gorse (*Ulex gallii*) forms part of some heathland mosaics and should be treated differently from European gorse (*Ulex europaeus*) scrub.

Blanket Bog in an Agri-environment scheme is restricted to a maximum stocking density of 0.075LU/ha and may only be grazed during the period 1 March - 31 October. If you maintain a stocking density close to 0.075LU/ha during most of the permitted grazing period and the entire area is grazed, then it will be eligible for BPS apart from areas covered with ineligible vegetation (e.g. scrub) or other ineligible features. Areas on which there is no grazing activity may still be eligible if other agricultural activity such as mowing or flailing of the vegetation is being carried out.

[Other?] Bogs, swamps, reed-beds and fens are only eligible where they are accessible, where there is forage available and they are grazed.

Land which is being managed in accordance with the requirements of the Birds and Habitats Directives and which would not otherwise be eligible is nevertheless eligible if it was eligible for SPS in 2008.

Grassy trackways are ineligible in Northern Ireland – not only the ruts but the grassy areas in between. This includes areas of fields predominantly used as transport routes and, if they are at the edge of the field, any area between them and the field boundary as well as the field boundary itself.

3.3. Implementation of GAEC7 on pastures

In England, GAEC 7c sets out a number of existing regulatory requirements (regarding felling licences, protected trees etc.), with the only GAEC-specific protection being a ban on cutting or trimming a tree on the farm between 1 March and 31 August (inclusive), except in certain limited circumstances or with prior written permission from the authorities.

The Scottish rules are similar. In Scotland it is forbidden to:

- remove or destroy ... trees* (in line, in a group or isolated) without the prior written consent of the Scottish Ministers and / or other statutory bodies. Consent is not required to:
- widen field entrances to enable access for livestock or farm machinery
- fell trees that are dead, diseased, damaged or insecurely rooted and are likely to cause a danger by falling over
- lop branches off trees during the bird nesting and rearing season starting on 1 March and ending on 31 August except for road safety reasons.

The Welsh guidance on GAEC 7 is poorly drafted in that the initial apparently exhaustive list of landscape features lists only trees protected by Tree Preservation Orders (a planning tool used only very sparingly in rural areas). While it seems clear that it is also the intention that 'Hedges' is meant to include all hedgerow trees (since they are not to be excluded from the area eligible for payment), the status of other trees is ambiguous. The main body of the guidance, which mostly follows the English form of words, seems to imply clearly that *all* trees are subject to the conditional ban on felling or cutting of branches during the nesting season.

In Northern Ireland, trees only receive protection if they form part of hedges. Even other trees subject to Tree Preservation Orders, or the felling/trimming of other trees during the nesting season are not covered in GAEC 7.

3.4. Use of PG-ELP and other specific inclusion/exclusion of land cover types

England, Scotland and Northern Ireland are not using the PG-ELP clause. This despite England and Scotland both potentially allowing claims on wooded areas with >100 trees/ha (the test being grazeability, not tree density)

The Welsh guidelines contain the following paragraph:

In Wales, permanent grassland also includes areas covered by native heather shrubs from the Ericaceae, Juncaceae and Cyperaceae families as these commonly grazed across Wales, so are considered to be established local practices. Where you have land that has previously been ineligible for SPS due to the predominance of heather, this can now be declared on the SAF 2015 as eligible for BPS.

This syntactically and logically strange paragraph is also botanically ambiguous – all heathers are part of the *Ericaceae* so that the status of rushes and woodrushes (*Juncaceae*) and sedges and their allies (*Cyperaceae*) is not really made clear, although it would seem that the intent is to include them. On the other hand (dense?) rushes RU1 are shown as ineligible in the eligibility table in the guidance document, with no exception for deciduous species such as *Juncus acutiflorus*. The separate guide to dealing with ineligible features does not make reference to rush. There therefore seems to be something of an inconsistency in the Welsh guidance.

Interestingly, this PG-ELP land is not separately identified on LPIS maps nor allocated its own crop code. It cannot therefore be identified in IACS/LPIS.

3.5. Implications for pastures

In none of the UK countries is there any concession to the idea that trees or scrub (other than heathers and related species) can be forage in their own right. Having said that, the treatment of woodland is relatively innocuous in Scotland, while in England it is exemplary– the explicit statement that the area of trunks need not be deducted from forage claimed is particularly welcome from both the claimant and the administrator's perspective (avoiding hassle is more important than maintaining the eligible area in many such cases).

The test of whether the ground underneath scrub/bracken/trees is grazeable seems wholly logical and better reflects the reality of that ground as actively-used 'farmland'.

The need to treat potentially nutritious scrub in the same way as inedible bracken is regrettable, but probably unavoidable without introducing (and defining and mapping) a PG-ELP crop code. None have done so, though Wales says that certain land covers fit into this category – this could create problems in any audit, since the WG has in effect said that certain 'crops' are ineligible as forage

under the standard rule, yet has not fully implemented the alternative procedure to make them eligible.

Excluding scattered non-grazeable features, including certain forms of scrub, is administratively-burdensome and error-prone.

Foreshore is excluded, though clearly an important foraging resource at some times of the year in some parts of the country.

For GAEC7, all 3 Great Britain administrations have very similar rules (albeit confusingly drafted in Wales). If anything, Scotland's rules seem to be somewhat tighter, with an apparent ban on *all* felling of trees without the prior written permission of Ministers – surely not the intention? Only Northern Ireland extends no cross-compliance protection to trees and tree-nesting birds outwith hedges, not even linking CAP payments to other statutory requirements (felling licences, Tree Preservation Orders etc.).

The English and Welsh rules seem to offer the best balance between protection and flexibility/administrative burden, especially if felling licence rules are properly implemented to protect bigger old trees.

It is interesting that the logical link between land eligibility and non-hedgerow trees under GAEC 7 is only made in England (where trees are covered by GAEC safeguards) and in Northern Ireland (where there is no protection whatsoever). It seems that Scotland and Wales have missed an opportunity to facilitate the eligibility of trees and pastures.

4. Pillar 1 “maintenance” and “minimum activity” rules

4.1. EU framework

The key Regulation is DELEGATED REGULATION 639/2014 supplementing Regulation 1307/2013 establishing rules for direct payments to farmers.

The Regulation states that in order to fulfil the obligation to maintain the agricultural area in a state suitable for grazing or cultivation without preparatory action going beyond usual agricultural methods and machineries, MS must define:

- *at least one annual activity to be carried out by a farmer. Where justified for environmental reasons, Member States may decide to recognise also activities that are carried out only every second year;*
- *the characteristics to be met by an agricultural area in order to be deemed maintained in a state suitable for grazing or cultivation.*

These criteria must not require production, rearing or growing of agricultural products. MS may distinguish between different types of agricultural areas.

It seems as though this wording does not explicitly exclude MS from defining minimum grazing requirements, so long as this is not defined in terms of rearing livestock (production). However, the Commission has stated in several meetings that they do not want to see minimum LU/ha as a requirement, for fear of WTO complaints about incentivising production. They have recommended mechanical cutting as the minimum activity on grazing lands.

4.2. Implementation

In England, the words 'minimum activity' do not appear anywhere in the BPS guidance. However, in the context of defining a 'farmer' the following is said:

For BPS, a 'farmer' is a person, group of people, or business that does at least one of these on their holding:

- *produces, rears or grows agricultural products – including harvesting, milking, breeding animals and keeping animals for farming purposes*
- *keeps some land in a state suitable for grazing or cultivation by keeping it clear of any scrub that can't be grazed (sometimes known as 'dense scrub')*

For BPS, these are known as 'agricultural activities'.

Similarly, fallow land is '*maintained in a state suitable for grazing or cultivation*'. There seems not to be any further clarification of this term. All land claimed has to comply with GAEC.

The Scottish situation stands in marked contrast to this. The full text of the relevant section in the guidance sets out the conditions for the 3 payment regions as follows:

Payment Region One [all non-rough grazing land]

Where agricultural production activities are undertaken, these can encompass production, rearing or growing of agricultural products, including harvesting, milking, breeding animals, and keeping animals for farming purposes.

Where no agricultural production activities are undertaken, the land must be maintained actively in a state suitable for grazing or cultivation. This means various actions according to the land. Across all land, the business must take action to control injurious weeds to which the Weeds Act 1959(1) applies and maintain access to those areas for livestock or agricultural machinery.

On areas of permanent grassland, you must be able to demonstrate maintenance of existing stock-proof boundaries and water sources for livestock, whilst on arable land you must take action to prevent the encroachment of scrub.

Payment Regions Two and Three [rough grazing land]

The normal minimum agricultural activity is to undertake an average level of stocking of 0.05 livestock units (LUs) per hectare on all hectares for 183 days in each scheme year. A lower stocking density, in terms of numbers or period, may be acceptable.

This must be justified by evidence, such as chronological records kept for an extended period or other evidence in respect of the carrying capacity of the whole or part of the holding (e.g. flock records, herd registers).

Alternatively, evidence can be provided where stocking levels have been lowered, again in terms of numbers or period, across the whole or part of the holding below 0.05 LU/ha, as a result of an environmental management agreement with Scottish Natural Heritage or an agri-environmental commitment as part of the Scottish Rural Development Programme.

As an alternative to minimum stocking levels, you can carry out an annual Environmental Assessment across the whole or part of the holding, where land lies in Payment Regions Two and Three. This will consist of three elements:

- *a map and description of the farm environment*
- *a breeding bird, mammal, butterfly survey*

- *monitoring of habitats including plant health survey*

You can choose to carry out a combination of minimum stocking and an annual Environmental Assessment, provided the minimum agricultural activity requirement can be met on all hectares (e.g. stocking or survey). For any part of the business where you have elected to undertake an Environmental Assessment, documentation of a survey in process must be made available to our inspecting officers and in any event, when complete, must be sent to the relevant area office no later than 31 August. As completion of the survey is an eligibility requirement for the Basic Payment Scheme, no payments can be made unless the completed survey has been received.

The survey should be undertaken by an environmental consultant or someone similar with suitable skills, which may include a member of the agricultural business. If you purchase a survey, our inspectors will expect to see the relevant invoices and receipts. 'Suitable skills' need to be assessed based on proven evidence of knowledge of ecology, species, and survey techniques (e.g. completion of other similar surveys, membership of professional or voluntary body, such as the Chartered Institute of Ecology and Environmental Management, Botanical Society Britain and Ireland or a relevant university degree). [There follows a lengthy description of what the survey must entail for various species groups and habitat types.]

In Wales, as in England, the words 'minimum activity' are not used and such definition as exists is found within the definition of 'agricultural activity'. A limited amount of land (notified ahead of time to potential claimants) is considered

- *..agricultural areas naturally kept in a state suitable for grazing or cultivation. In Wales, agricultural areas naturally kept in a state suitable for grazing or cultivation are defined as areas of saltmarsh and sand dunes. The minimum activity required is that the area is grazed to a minimum average annual stocking density of 0.01 to 0.05 livestock units per hectare, or the control of non-native invasive weeds and scrub.*
- *If more than half of your agricultural land is classed as being "naturally kept in a state suitable for cultivation and grazing" i.e. saltmarsh and sand dunes, you must also carry out at least one of the following activities on that land:*
 - o *grow or rear agricultural products*
 - o *undertake at least a minimum level of grazing (at least an average of 0.01 to 0.05 European Livestock Units per hectare a year)*
 - o *control non-native invasive species.*

Outwith such areas, agricultural activity is expressed in Wales as follows:

- *the production, rearing or growing of agricultural products including harvesting, milking, breeding animals and keeping animals for farming purposes*
- *maintaining an agricultural area in a state which makes it suitable for grazing or cultivation without preparatory action going beyond usual agricultural methods and machineries. In Wales, this means the control of non-native invasive weeds and scrub; and ensuring that area has stock proof boundaries and a water source for livestock*

Northern Ireland's guidance document does have a separate section defining agricultural (and minimum) activity. It is:

- *production, rearing or growing of agricultural products, including harvesting, milking, breeding animals, and keeping animals for farming purposes,*

- *maintaining an agricultural area in a state which makes it suitable for grazing or cultivation without preparatory action going beyond usual agricultural methods and machineries, based on criteria established by Member States on the basis of a framework established by the Commission.*

Agricultural activity (for example, grazing, cutting or harvesting a crop, management of heather by flailing or controlled burning) must take place on the entire area being claimed on a significant and consistent basis throughout the calendar year. Heather burning should only take place within the permitted period i.e. 31 August to 15 April. Evidence of this must be available at inspection.

4.3. Implications for pastures

A clear agricultural minimum activity rule would seem to be desirable, though such conditions should be closely tied to an adequate payment to cover the net costs of undertaking such activity. The main reason for this is natural justice – the extensive farmer should not be the only one who really has to do something meaningful (non-trivial, that is) for his payments, only then to find himself making a financial loss. But this tie has a second benefit – it means that the system depends much less on the deterrent power of inspections and the need to prove everything in the finest detail (if it makes economic sense, why *wouldn't* farmers do it...?).

The difficulty with a structure where the sufficiency of the incentive is not self-evident is seen in Scotland. Here the claimant must be prepared to prove that he has met the minimum stocking requirement *in every parcel* – something which will surely prove impossible to implement. Does this suggest that an approach based on pasture characteristics is impossible? If so, then maybe farming really doesn't make a difference, good or bad, to those habitats?

The trouble stems from the very low minimum stocking – it needs to be low because some habitats really *are* grazed adequately at those levels. But this leaves the possibility of many habitats being in effect undergrazed while at the same time qualifying for payment since the stocking pressure satisfies the minimum laid out in what is a universally-applicable set of rules. There would seem to be a glaring need for a GAEC standard to go along with 'minimum activity' in such cases. (We return below to the question of LFA/ANC as a complementary tool to encourage real activity, but the question still remains of how to treat those who chose not to apply for ANC payments).

The option to use an environmental assessment seems geared to avoiding costly legal challenges by rich landowners, and to be designed to be prohibitively costly to implement. It is regrettable that the Scottish Government found the EU Regulations to be so lax as to allow for the possibility that non-farmed areas could be paid agricultural support payments, thus making this provision necessary.

Northern Ireland would seem to be most straightforward in its approach – the danger there is more that inspectors will over-enthusiastically deem that there is inactivity on sites which livestock actually do use, but at low densities. However, in principle the idea of being guided mainly by the state of the habitat seems correct.

In Wales, the rule seems rather lax where scrub and noxious weeds are not an issue. And in England, the wording which seems to suggest that some areas can be claimed without a minimum level of activity having taken place on them (as long as it has taken place *somewhere* on the holding) will surely be challenged in court and be found wanting.

5. Protection of environmentally sensitive grasslands

5.1. EU framework

EFNCP has been proposing for many years a stronger incentive under Pillar 1 for farmers to conserve semi-natural grasslands, through a special grasslands payment with simple conservation requirements. DG ENV has also been pressing for better protection measures, leading to a new mechanism for designating and protecting “environmentally sensitive grasslands”. Under Article 45 of the main Direct Payments Regulation 1307/2013:

- *Member States shall designate permanent grasslands which are environmentally sensitive in areas covered by Directives 92/43/EEC or 2009/147/EC, including in peat and wetlands situated in these areas, and which need strict protection in order to meet the objectives of those Directives.*
- *Member States may, in order to ensure the protection of environmentally valuable permanent grasslands, decide to designate further sensitive areas situated outside areas covered by Directives 92/43/EEC or 2009/147/EC, including permanent grasslands on carbon-rich soils.*
- *Farmers shall not convert or plough permanent grassland situated in areas designated by Member States under the first subparagraph and, where applicable, the second subparagraph.*

The new CAP also maintains the existing mechanism designed to prevent an overall decline in the extent of permanent grassland declared by farmers at MS level, or more specifically the ratio of grassland to other farmland, as follows:

- *Member States shall ensure that the ratio of areas of permanent grassland to the total agricultural area declared by the farmers in accordance with point (a) of the first subparagraph of Article 72(1) of Regulation (EU) No 1306/2013 does not decrease by more than 5 % compared to a reference ratio to be established by Member States in 2015*

Environmentally sensitive permanent grassland areas outside the areas covered by the Habitats and Birds Directives shall be designated on the basis of one or more of the following criteria:

- *covering organic soils with a high percentage of organic carbon, such as peat land or wetlands;*
- *hosting habitats listed in Annex I to Directive 92/43/EEC or protected under national legislation;*
- *hosting plant species listed in Annex II to Directive 92/43/EEC or protected under national legislation;*
- *being of significant importance for wild bird species listed in Annex I to Directive 2009/147/EC;*
- *being of significant importance for wild animal species protected under Directive 92/43/EEC or protected under national legislation;*
- *covering permanent grassland of high nature value as defined by objective criteria to be established by the Member State;*
- *covering soils with a high risk of erosion;*
- *being located in a sensitive area designated within the river basin management plans pursuant to Directive 2000/60/EC.*
- *Member States may decide every year to add new designated areas and shall inform the farmers concerned of that decision in due time.*

5.2. Implementation of ESPG

5.2.1. Environmentally-sensitive grassland definition and identification

All the UK countries have linked their ESG rules (not explicitly, as far as the guidance to farmers is concerned) to permanent grasslands in Natura 2000. For example:

In Scotland Environmentally Sensitive Grasslands have been defined as NATURA designated sites where land managers will already be bound by the existing specific management agreements in place to ensure they are protected and managed sympathetically.

Moreover, all unimproved semi-natural areas are already protected by The Environmental Impact Assessment (Agriculture) (Scotland) Regulations 2006. Therefore land managers must not undertake any agricultural improvement works on permanent grassland without considering whether there are EIA implications, and consulting local RPID staff.³

Wales and Northern Ireland take an almost identical approach. England however seems not to protect *all* permanent grasslands in Natura sites, but only those which are ‘special interest features’, defined as ‘the notified interest features of the [national designation] that are also relevant to the Special Area of Conservation’, so that, for example species-poor *Nardus* grassland would seem not to be protected on an SAC designated for blanket bog or European dry heaths.

Identification of ESG on IACS is not explicit under any of the 4 administrations, but is relatively self-evident in all cases except England, where the dubiety implied in the apparent limiting of protection to the features of Community Interest would seem to require a delimitation exercise. Failure to include all the land which might be covered by the EIA rules also obviates explicit identification – something which would be very difficult in that case, at least while minimum threshold areas before assessment is required continue to be part of the implementation model.

5.2.2. Rules concerning ploughing and conversion

No conversion or ploughing in the case of ESG except with permission. For non-Natura semi-natural and uncultivated land, a simple answer is not possible – it depends on the area, whether the change is considered intensification, whether permission is given in cases where an environmental impact assessment was deemed necessary.

5.3. Implications for pastures

The implementations are exceedingly similar in all 4 countries. In each it would seem that while uncultivated and semi-natural land is not strictly being considered as falling into the ESG category, the protection being offered is superficially very similar. When compared to previous versions of cross-compliance which did not form a coherent system of protection with the EIA rules, the new approach would seem on paper to be a substantial improvement.

However, the flaws of the EIA rules remain a weakness in the system. Whether or not the evidence would be available to prove any breach outwith Natura or other well-recorded sites, the fact remains that the minimum area threshold which applies before EIA kicks in is a major and fundamental weakness in the level of protection EIA offers, even on paper. This would be a particular weakness in areas where the remaining semi-natural areas or the ownership pattern or both are already fragmented. To quote the Art. 17 report for habitat 6210 in England, *protection for non-designated sites is provided for through implementation of the Environmental Impact Assessment (Agriculture) (England) (No. 2) Regulations 2006 for uncultivated/semi-natural habitats*

³ <http://www.gov.scot/Resource/0045/00459526.pdf>

although its role in site protection has proved ineffective. Whether inclusion in GAEC changes that is an interesting question – the situation should be monitored.

On the other hand, in areas where almost all farmland is permanent pasture, rules which completely prevent the ploughing up of even small areas of semi-natural grassland, no matter its quality and no matter what replaces it, would be regrettable and not something which conservation organisations would generally consider desirable.

To summarise the weaknesses:

- ‘Comprehensive’ protection in Natura sites only (though whether this applies to grasslands other than the features of Community interest in England is not clear)
- Outwith Natura sites, EIA protection only, but this is handicapped by:
 - o Lack of baseline data
 - o Minimum size thresholds at which EIA rules apply
 - o Need to show that conversion is linked to agricultural intensification
- Definition of permanent pasture remains an issue, with reseeding quite possible, raising question of whether such reseeding of non-biodiverse grassland is at all prevented by the rules outlined (not ‘of Community interest’ so perhaps not even protected in Natura sites, and not covered by EIA rules).

A system whereby EIA rules applied to all but *de minimis* conversions, but allowing for limited conversion in certain circumstances of biodiversity benefit might be the way forward from a purely biodiversity point of view (though it would leave carbon release concerns unanswered). It would be beneficial for all such grasslands/pastures to be separately identified in IACS so that there was no doubt for either farmer or administrator and allowing a more positive incentive-based approach to maintaining semi-natural grasslands to be considered. But in the absence of such an integrated approach, any suggestion of delimitation or designation would probably be seen as negative by both farmers and administrators.

6. Control of the ratio of permanent pasture area to the total agricultural area declared by farmers

6.1. Implementation nationally and for individual farmers

The ratio applies only at the national (i.e. each of the 4 countries) level. It does not affect individual farmers and is not likely to in the foreseeable future. It is as robust a mechanism for protecting ‘permanent grasslands’ as defined in the CAP as is necessary in the bioclimatic conditions which apply in the UK. However it has no impact on the protection of ‘true’ permanent grasslands, especially those which are semi-natural in character.

6.2. Implications for pastures

The actual permanent pasture rule itself still retains the old weakness that it permits reseeding back to herbaceous forage, in which case the pasture is not strictly speaking permanent as it can be replaced each year with a new pasture. In practice the limitations explored in section 5 above are much more significant in the UK.

7. Pillar 2 payments

7.1. Relationship between eligibility for Pillar 1 payments and for Pillar 2 area payments

In general, there is a high degree of conformity between the eligibility, though some areas have always been eligible for Pillar 2 AE and not Pillar 1. In this section, I focus solely on two situations:

- land which is excluded through the ineligibility rules but is nevertheless grazed

- land in AE and made *eligible* which would otherwise have been ineligible because of land cover and/or lack of grazing

In England, not only newly-created woodland is eligible for BPS. If the land was used for claiming entitlements in 2008 and is still in an AE/woodland scheme, land under many other options remains eligible for BPS, including:

| | |
|-------------|--|
| HP5 | Maintenance of coastal saltmarsh |
| HP6 | Restoration of coastal saltmarsh |
| HP7 | Creation of inter-tidal and saline habitat on arable land |
| HP8 | Creation of inter-tidal and saline habitat on grassland |
| HP9 | Creation of inter-tidal and saline habitat by non-intervention |
| HQ3 | Maintenance of reedbeds |
| HQ4 | Restoration of reedbeds |
| HQ5 | Creation of reedbeds |
| HQ6 | Maintenance of fen |
| HQ7 | Restoration of fen |
| HQ8 | Creation of fen |
| HQ9 | Maintenance of lowland raised bog |
| HQ10 | Restoration of lowland raised bog |
| UC22 | Woodland livestock exclusion |
| etc. | |

Saltmarsh, reedbeds and fens where herbaceous forage predominates and they can be used for grazing are in any case eligible for BPS (see above), but all of the others are both ineligible and ungrazed and nevertheless eligible.

Countryside Stewardship in England is still not finalised, but the list of possible options seems not to contain anything which would involve grazing land ineligible under BPS (largely reflecting the very commendable approach to eligibility under BPS).

In Scotland, the situation is much as in England. The relatively enlightened way the eligibility rules are being interpreted means that few anomalies of significance are likely to arise on actively-grazed parcels. There are similar exceptional crop codes which are BPS-eligible but not currently farmed (new woodland etc.). It may be possible to graze woodland with a low amount of ground cover forage, claim AE payments but not be BPS eligible, but these are not serious issues.

Scotland, unlike England, has a (very important) LFA measure (described below). While many crop codes are ineligible for LFA payments (being associated, for example, with better land or with non-grazing options etc. in AE, or with new woodland planting), there are no significant types of grazed areas in the LFA which would not also be eligible for BPS.

7.2. Payments in Areas with Natural Constraints (ANC)

England and Wales have decided not to operate an ANC scheme. Scotland and Northern Ireland are both running a pro tempore LFA scheme for the next two years, with a view to developing an ANC measure once the new definition criteria etc. are settled upon.

Scotland's LFA scheme remains a major part of its Pillar 2 spending. It continues to be a rather messy mix of rules and procedures which are designed to maintain as closely as possible the link to both the existence of production and the level of production, without actually becoming coupled to current production levels.

It still also maintains the rather confusing (smoke and mirrors?!) arrangement by which the basic payment level is graduated by the level of disadvantage (higher disadvantage; higher payment), but where the claimant actually receives a multiple of this basic payment where the multiplier is proportional to the historic stocking; the result, broadly speaking, is that the net payment is higher where stocking rates are ('were') higher.

Payments are only made on forage land (whether grassland or defined arable forage crops; grain crops are excluded, even if grown for arable silage, unless undersown with grass, for example). Payments are made to the person actively managing the land – this makes the LFA eligibility stricter and more focussed than BPS:

The responsibility to actively farm for LFASS rests with you, as the person who claims under the scheme. For a farming activity to be recognised as yours, you would usually own the stock. Leasing may be acceptable if you can show that you were actively farming the stock in question.

We expect you to have economic responsibility for the animals, including responsibility for:

- *managing the herd or flock*
- *feeding, housing and paying the bills*
- *veterinary care*
- *selecting animals brought into or disposed of from the herd or flock*

We would also expect you to keep the proceeds of the sale of any offspring from the herd or flock. This means that, particularly if your claim includes seasonal land or common grazing, it may not be enough to lease in stock to meet the active farming rule for LFASS.

You are not actively farming, if someone else carries out an agricultural activity on your eligible land. This means graziers' livestock does not count, whether or not you assume management responsibility for the stock.

In-year breaks in activity are acceptable, provided the active periods add up to at least 183 days. Claimants must carry out an agricultural activity on the land connected with grazing or feeding farmed livestock. There is no need to keep specific types of animal during the LFASS claim year to be considered actively farming. However, livestock kept for leisure use only, for example horses, do not count as a farming activity for LFASS and neither do pigs and chickens. When suspected underactivity occurs, inspectors will consider any reduction in compare current stocking levels with the historic year stocking density, and/or the norm for similar farms in the locality. In addition to 'using their professional and technical knowledge', the inspectors will calculate a stocking density and if this falls below 0.09 LU/ha, the claim will automatically be disallowed.

The calculation proceeds as follows

- A certain number of eligible hectares of forage is claimed
- The claimed forage is adjusted to give a 'payable area', which at present uses actual stocking information from 2009 or 2013 (the latter is effectively for new claimants).

| Grazing Category | Historic stocking density in reference year | 'Hectare value' (in practice, the multiplier) |
|------------------|---|--|
| A | Up to 0.19 LU/ha | 0.167 |
| B | 0.2 to .039 LU/ha | 0.333 |
| C | 0.4 to 0.59 LU/ha | 0.667 |
| D | 0.6 or more LU/ha | 0.800 |

- The payable area is multiplied by an 'enterprise mix' factor to boost the payments to historic beef cattle keepers

| Historic stocking mix in reference year | Enterprise mix multiplier |
|---|---------------------------|
| Less than 10% of your historic livestock units were cattle | 1 |
| At least 10% but less than 50% of your historic livestock units were cattle | 1.35 |
| 50% or more of your historic livestock units were cattle | 1.7 |

- The payable area is multiplied by the land category payment, which is the element which reflects natural constraints, and which is differentiated into 6 levels by land quality (as reflected in the historic actual stocking) and location (island/fragile mainland/other)

| Grazing category | Standard area | Fragile mainland area of disadvantage | Very fragile island areas |
|--|-------------------------------|---------------------------------------|-------------------------------|
| | Rate per adjusted hectare (£) | Rate per adjusted hectare (£) | Rate per adjusted hectare (£) |
| More disadvantaged land (categories A and B) | 52.16 | 62.10 | 71.35 |
| Less disadvantaged land (categories C and D) | 34.12 | 54.51 | 63.00 |

- The final adjustment is made if the actual stocking density in the claim falls below the 'minimum' stocking level for each of the 4 historic land categories. If this happens, payments may still be made (unless the land is determined to be undermanaged), but the payment is multiplied by [actual stocking/minimum stocking].

| Grazing category | 'Minimum stocking density limit' in claim year |
|------------------|--|
| A | 0.09 LU/ha |
| B | 0.15 LU/ha |
| C | 0.30 LU/ha |
| D | 0.45 LU/ha |

Both the use of historic stocking densities and historic cattle/sheep ratios have the effect of pushing payments towards the better areas, notwithstanding the higher 'basic' rate for remoter, more disadvantaged region (the latter because cattle-dominated holdings are rare on poorer land). For

example, compare an island farm in the lowest stocking density class with a farm on the best ground on the mainland, with 2 variations – sheep only and beef-dominated:

| Farm | Grazing category | Basic rate | Stocking rate adjustment | Stocking mix adjustment | Final per ha payment rate |
|-----------------------------------|------------------|------------|--------------------------|-------------------------|---------------------------|
| Island poor land sheep | A | 71.35 | 0.167 | 1 | 11.92 |
| Island poor land beef dominated | A | 71.35 | 0.167 | 1.7 | 20.26 |
| Mainland best land sheep | D | 34.12 | 0.8 | 1 | 27.30 |
| Mainland best land beef dominated | D | 34.12 | 0.8 | 1.7 | 46.40 |

In Northern Ireland, the new ANC scheme is more focussed than in previous years, with only land in the Severely Disadvantaged part of the LFA being eligible for payment. There is a minimum stocking requirement of 0.2 LU/ha across the holding in the period between the 1st of April and the 31st of October, exceptionally lower with the Department’s consent where AE commitments preclude this.

Heifers cannot account for more than 40% of the LU of a cattle herd, tending to direct payments towards true cattle breeders rather than fatteners. Holdings with less than 3 ha of claimed land are excluded from payment. ‘It is unlikely that dairy units in the SDA will be eligible.’⁴

Forage eligibility rules on permanent grassland follow those under BPS. For example:

Please note that heather is eligible if it is:

- accessible for grazing animals; and
- has significant forage value, and
- is used for agricultural purposes.

Heather is ineligible if it is:

- Inaccessible for grazing animals; or
- Abandoned, that is, not in agricultural use; or
- Not used for agricultural activity during the period of 1 April 2015 - 31 October 2015.

Heather will generally be deemed ineligible if it is over-mature, that is, more than 50 cm tall and with no evidence of management of any kind.

Land will be eligible only if agricultural activity is carried out on a significant and consistent basis during the period 1 April 2015 to 31 October 2015 and evidence of this is available on the day of inspection.

The business claiming ANC cannot be different from the one claiming BPS on the same land; given the higher level of provable activity required in ANC, this favours the truly active farmer over the inactive landlord in the LFA.

The full payment rate is likely to be around £56/ha and will be payable on the first 200 ha, with a lower rate of around £46/ha (75%) payable on additional hectares⁵.

⁴ <http://www.farminglife.com/ufu-watch/latest-update-on-areas-of-natural-constraint-scheme-1-6593746>

⁵ <http://www.farminglife.com/ufu-watch/latest-update-on-areas-of-natural-constraint-scheme-1-6593746>

7.3. Agri-environment (AE) and Natura 2000 payments for extensive grazing/semi-natural pastures

England's Countryside Stewardship will offer a very long list of options, many of which will give additional payments on semi-natural pastures and meadows⁶. Examples include:

| | |
|---|---------|
| - Permanent grassland with very low inputs (outside SDAs) (GS2). | £95/ha |
| - Permanent grassland with very low inputs in SDAs (GS5). | £16/ha |
| - Management of species-rich grassland (GS6). | £182/ha |
| - Management of wet grassland for breeding waders (GS9). | £264/ha |
| - Management of wet grassland for wintering waders and wildfowl (GS10). | £157/ha |
| - Management of grassland for target features (GS13). | £90/ha |
| - Haymaking supplement (GS15). | £85/ha |
| - Management of lowland heathland (LH1). | £274/ha |
| - Management of [lowland] wood pasture and parkland (WD4). | £46/ha |

In addition a number of capital and one-off payments are available, as well as supplements for cattle grazing, for example. The issue of payments being available for areas not eligible for BSP does not really arise, since the BSP rules are so liberal. Many of these payments may however only be available to farmers accepted into the Higher Tier of the scheme.

Scotland is similar to England – a wide range of payments are available, with options being targeted at particular areas (an online tool will list the options for any particular farm code). Payment levels are broadly comparable. As with England, applications are scored – the Scottish scoring method has been published and is reprinted at Annex 2⁷. Further feedback from advisory staff would be desirable to tease out the effects of the targeting mechanisms in practice.

In Wales there are two levels in the Glastir AE scheme – an entry-level, open to all who meet a points threshold and an advanced, where farmers put themselves forward for consideration and are then assessed against their potential to deliver national priorities using a series of databases which can be viewed as an online map⁸.

For Glastir entry, a points threshold is determined by the size of the holding; points are gained by opting to carry out certain measures, with applicants tending to choose the least demanding of the alternatives on offer. Glastir Advanced offers a similar range of measures to the English and Scottish schemes, but the scheme is only as good as the targeting maps. For habitats (wet grasslands, upland heathland, etc.), the maps are not perfect, but do focus on core areas where they are concentrated. For species, many of whom are themselves indicator of good habitat quality, the datasets seem very patchy and out of date. On the author's own holding, which is rich in field boundaries and bird life, as well as being semi-natural vegetation with some good indicator species, only one field falls within the 'wet grasslands' polygon, while none of the significant species present, some of which are national targets, are recorded on the database. In summary, Glastir Advanced is likely to be very well-targeted in designated areas, but in the wider countryside it is very dependent on what are possibly not very robust or up-to-date databases.

⁶ <https://www.gov.uk/countryside-stewardship-grants>

⁷ For an explanation of the terminology used, see:

<https://www.ruralpayments.org/publicsite/futures/topics/all-schemes/agri-environment-climate-scheme/agri-environment-climate-scheme-full-guidance-menu/agri-environment-scoring-criteria/>

⁸ <http://gov.wales/topics/environmentcountryside/farmingandcountryside/farming/schemes/glastir/glastir-advanced/9335236/?lang=en>

In Northern Ireland, details of the 2014-20 AE scheme had not been published online at the time of writing; the following is derived from the text of the RDP⁹. Two AE land-based schemes are proposed, as well as a scheme to protect farmed genetic resources. The Land Management Programme is focussed on soil and water issues, while the Environmental Farming Scheme is more broadly focussed on a range of issues, including biodiversity.

In the Environmental Farming Scheme, a range of prescriptions are available, but these would appear to be more narrowly-focussed than their counterparts in the other 3 countries. It would seem that there are no options which (in theory at least) could be used to manage any dry or wet pasture – they would rather need to be hayfields, marsh fritillary habitats, needing restoration, etc. On top of this, there will be an as-yet unpublished scoring system which will, according to the RDP, 'include prioritisation of environmentally designated sites, e.g. Natura 2000 and Areas of Special Scientific Interest (ASSIs), priority habitats, and sensitive water habitats and catchments'. Natura 2000 payments are not used in any of the 4 UK countries.

7.4. Implications for pastures

All the discretionary AE schemes in the UK, with the apparent exception of Northern Ireland, have comparable prescriptions and payment levels and appear to offer a relatively comprehensive package of support. The one major weakness in all the jurisdictions is the lack (in general) of a positive measure for uplands grazing – here the major leitmotif remains dealing with 'overgrazing'; the lack of a countervailing tool for sites where undergrazing is an issue is one which has been raised by a range of stakeholders in meetings. This means that there is in practice either no or no potentially-subtle pro-activity signal for low-intensity farmers on the vast majority of the UK's HNV farmland.

In Northern Ireland, it is quite possible for semi-natural pastures not to fall under any of the prescriptions – an issue which should be monitored.

In general, the issue is whether the schemes, which are all 'targeted', are able to support all the semi-natural pastureland for which support is sought. Thus in England, for example, the real issue is not whether adequate prescriptions for semi-natural permanent pastures are available, but whether the farm and its fields will be accepted into the Countryside Stewardship scheme, especially since all the RDP eggs are in that one basket.

The underlying principle is that the 'Successful applications will comprise options and capital items that best fit the environmental priorities set out in the 159 Statements of Priorities covering all of England.'

As an example, the North Pennines priorities are set out in Annex 1. While these are seemingly all-encompassing at first sight, on further inspection there would seem to be gaps (as with Higher Level Environmental Stewardship in the past) which could potentially rule out whole swathes of the upland landscape – acid grasslands, wet pastures neither base-rich nor water-rich enough to be priorities etc.

Farmers must apply to be considered for Higher Level Countryside Stewardship and the farm will be scored – the scoring sheets have not as yet been published.

In Wales, the Glastir Entry options are relatively unchallenging and deliver little for permanent grassland specifically. The author declares an interest – on his 9 ha holding, all of which is semi-natural pasture, the Glastir entry commitments are erecting 20 nest boxes, planting 8 fruit trees and

⁹ <http://www.dardni.gov.uk/2014-2020-rdp-final-draft-for-formal-submission-to-eu-commission.pdf>

keeping one field as a zero-inputs pasture with a certain degree of structure (this field is the least diverse on the holding).

In the case of Glastir Advanced, the scheme is only as good as the targeting maps. For habitats (wet grasslands, upland heathland, etc.), the maps are not perfect, but do focus on core areas where they are concentrated. For species, many of whom are themselves indicator of good habitat quality, the datasets seem very patchy and out of date. On the author's own holding, which is rich in field boundaries and bird life, as well as being semi-natural vegetation with some good indicator species, only one field falls within the 'wet grasslands' polygon, while none of the significant species present on the land, some of which are national targets, are recorded on the database. In summary, Glastir Advanced is likely to be very well-targeted in designated areas, but in the wider countryside it is very dependent on possibly not very robust or up-to-date databases.

Since AE is the only RDP area-based measure apart from organic farming in both England and Wales - there is no LFA/ANC safety net - and since AE payments have the potential to pay as much again as the BPS, any lack of availability and coverage is a potentially serious issue which needs to be monitored.

Scotland has much the same issues as regards agri-environment, but there is a substantial amount of funding also going into LFA payments. We see the same dilemmas and mix of good intentions and cynicism at work that were evident in the case of Pillar 1 payments. The Government wants to avoid paying inactive farmers (in the real sense) at all costs, while keeping within the decoupling rules, mainly by implying a possible rebasing of the reference year, rather than through the actual scheme rules, which allow almost any destocking, as long as it can be justified. But at the same time, it is doing very little redistribution of funding compared to the days of coupled LFA payments, so that payments still go mainly to the better land. The beef enterprise mix adjustment is not unjustified, given the desirability of cattle farming in the marginal zones and the lower profitability of cattle keeping, but as with the coupled Pillar 1 payments, the opportunity could have been taken to limit eligibility for the payment to farms whose land falls below a certain quality or is situated in more marginal areas.

Northern Ireland is the only country which apparently explicitly excludes some semi-natural pastures by the wording of the AE prescriptions. On top of this comes the scoring process. It will be interesting to monitor how much semi-natural grassland falls through the resulting support net.

The LFA measure in Northern Ireland is a very simple top-up to BPS on the poorest land, and one backed up by a minimum stocking level (unlike BPS). The decision to restrict the payment to the poorest area is very interesting – perhaps the intention is to ensure that the substantial rise in payments in marginal areas which a single BPS payment region implies does not lead to a reduction in the ability of active farmers to rent land?

8. CAP context indicators on grassland habitats and on extensive livestock

8.1. Indicator on grassland habitats

8.1.1. EU background

Indicator 36) is a new CAP indicator: Conservation status of agricultural habitats (grassland). However, essentially it is the same data as reported by MS to the Commission under Article 17 of the Habitats Directive, on the conservation status of Annex 1 habitats.

The Commission guidance on the CAP indicators states the following:

- *The indicator on conservation of agricultural habitats is essential for the diagnostic and SWOT of RDPs. It will enable to assess the level of ambition of the Natura 2000 measures proposed by MS in the programme for the focus area on biodiversity. The information is complementary to the FBI (farmland birds index) which is not an indicator on habitats and only focused on common birds. It is also relevant for the first pillar as EFA, the grassland measure of the greening and cross compliance are complementary key elements which contribute to the improvement of the conservation status.*
- *For the 2001-2006 reporting, the figures on grassland (only dataset available in relation to agriculture since the habitats directive only covers habitats related to grassland, none on permanent crops and arable), for each MS at national level and also broken down by biogeographical level, are already available. BG, RO and HR were not covered.*
- *For the 2007-2012 reporting, data will also be available for grassland for each MS at national level, and also broken down by biogeographical level. In some MS, the data will also most probably be collected at NUTS 2 level (UK, IT, DE, BE), but it has to be discussed with those MS their potential availability. An indicator will be provided in 2014-15 (depending on MS reporting) on the basis of the data reported by MS in 2013 and used for the monitoring of progress in reaching Target 3a of the EU 2020 Biodiversity Strategy.*
- *For the 2013-2018 reporting, the feasibility of a split at NUTS 2 level is under discussion.*

Data for the biogeographical regions in each MS have been included in the database. Maps and more information on the biogeographical regions can be found in the following link: http://ec.europa.eu/environment/nature/natura2000/sites_hab/biogeog_regions/index_en.htm

8.1.2. Implementation

The methodology and reporting of Art.17 monitoring in the UK is under the auspices of the JNCC, which coordinates the work of the agencies in the 4 countries¹⁰. All the sections in italics below are quotations from the report.

All short-term range trend directions were judged to be stable, which was partly due to the general scarcity of repeated, high-quality survey data on habitat occurrences to demonstrate a change in range. For terrestrial habitats, the UK long-term trend direction was based on the short-term range trend direction (see above) and the same from the 2007 Article 17 Report. Most long-term range trend directions were set as stable.

The information supplied summarised the condition of all sites assessed at a country-level for one or more of the following site types: (i) SACs; (ii) other SSSI/ASSIs; (iii) other site types. Clarification has been sought on what (iii) involves – if there is no regular and systematic monitoring of habitat status outwith designated sites, then the information on some grazed habitats covering a large area of undesignated land may not be very robust.

To clarify the types of data used in each country, the country reports¹¹ for the following habitats were investigated (see Annex 3 for selected quotes and comment):

- H4030 European dry heaths
- H6210 Semi-natural dry grasslands and scrubland facies on calcareous substrates (*Festuco-Brometalia*)
- H6410 *Molinia* meadows on calcareous, peaty or clayey-silt-laden soils (*Molinia caeruleae*)

¹⁰ <http://jncc.defra.gov.uk/page-6397> and linked pages, in particular http://jncc.defra.gov.uk/pdf/A17_2013_UKApproach.pdf

¹¹ links on <http://jncc.defra.gov.uk/page-6392>

This selection was intended to provide a good mixture of a very common habitat (4030), much of which lies outwith designated sites; a widely-distributed habitat (6210), often in small patches, which is known to be under threat and another habitat (6410) which occurs in patches in markedly different edaphic conditions.

The picture presented in Annex 3 is in general quite unsatisfactory. The area of habitat is in general poorly known, especially outwith designated sites; improvements in the quality of data is occurring in some cases, but ironically makes interpreting apparent trends more difficult. Changes in the definitions of habitats (or in the interpretation of the definitions by the authorities) are also an issue. Habitat condition data is even worse, with no information at all outwith designated sites in some cases. The quality of the reports themselves vary considerably – some are clearly written and give an accurate and useful account of the state of knowledge, while others are unbelievably slapdash and in some cases not fit for purpose.

Regrettably, no link seems to have been made in the mind of RDP drafters in Scotland, Wales and Northern Ireland between the new requirement for reporting on the status of grassland habitats under EAFRD and Art. 17 reporting, judging by the text of the 4 plans. There is a strong impression of ‘going through the motions’. The reporting requirement has certainly not been used to increase coherence between biodiversity and agricultural policy – the purpose of asking for reporting on the new indicator. In England, in contrast, a conceptual link has been made, but no baseline is given. The exact wordings used are as follows:

England

The CCI data covers the 2001-2006 period. As more up to date information is available from the 2007-2013 reporting round at UK level this has been used to populate the CCI as it is judged to provide a better contextual baseline for the new RDP. SFC does not allow for a range of indicator years to be inputted. 2007-2013 reporting round also allows an assessment for trends within conservation status categories. The analysis has been restricted to the 8 Annex 1 grassland types occurring in England.

Scotland

No data available for Scotland therefore value taken from 2006 UK data as a proxy as was available. The Scottish Government recognises that the data supporting some of the Common Context Indicators are out-of-date and that there are a number of gaps in the data. Going forward, the Scottish Government will work to address these data issues during the programme so as to ensure a solid evidence base going forward to support future policy decisions

Wales

UK value (No values actually given)

Northern Ireland

(100% is given as Unfavourable Bad for the 2001-6 period and described as ‘UK figure’.

8.2. Farming intensity indicator

8.2.1. EU framework

Indicator 33) is on Farming intensity, including: Areas of extensive grazing - UAA utilised for extensive grazing (UAA with cattle/sheep/goats density < 1 LU/ha of forage area, defined as *forage crops, permanent pastures and meadows and common land*).

8.2.2. Implementation

A mixed picture once more, as can be seen below. England explains its position, and the explanation seems reasonable. The other administrations give their answers in very similar formats but give no explanation of how the figures were calculated or what the threshold values used were. The 'grazing' figure is included in both Wales and Northern Ireland, but mysteriously is given as zero.

England: *The Commission's definition for extensive arable crops is <60% of the average cereal yield for the EU 27 is not currently displayed on Eurostat and therefore it has not been possible to calculate the % of UAA used for extensive arable crops. Therefore, the Commission's definition for extensive grazing is <1 Livestock Unit/ha of forage area. From the June Survey for England and Defra calculations, it has been estimated that 18% of the UAA is under extensive grazing in 2010, 2011 and 2012.* [sic.]

Scotland

| Indicator name | Value | Unit | Year |
|------------------|-------|----------------|------|
| low intensity | 68.2 | % of total UAA | 2012 |
| medium intensity | 18.2 | % of total UAA | 2012 |
| high intensity | 13.5 | % of total UAA | 2012 |
| grazing | 89.9 | % of total UAA | 2010 |

Wales

| Indicator name | Value | Unit | Year |
|------------------|-------|----------------|------|
| low intensity | 51.5 | % of total UAA | 2007 |
| medium intensity | 26.7 | % of total UAA | 2007 |
| high intensity | 21.8 | % of total UAA | 2007 |
| grazing | 0 | % of total UAA | 2010 |

Northern Ireland

| Indicator name | Value | Unit | Year |
|------------------|-------|----------------|------|
| low intensity | 47.4 | % of total UAA | |
| medium intensity | 22.5 | % of total UAA | |
| high intensity | 30.1 | % of total UAA | |
| grazing | 0 | % of total UAA | |

8.3. Implications for pastures

At present no effort has been made to report a baseline for the "agricultural habitats (grasslands)" indicator. In England, the link to Art. 17 reporting is made in the RDP, but no baseline figure has been put forward, seemingly due to the wording used for the baseline period by the Commission.

What would the situation be if Art. 17 reports *were* to be used to establish a baseline for this indicator? How meaningful would they be? The sample of 12 Art. 17 reports give a picture of some of the issues which make Art. 17 reporting, as currently undertaken, problematic:

The picture given of a particular habitat is not uniformly detailed or uniformly recent; in some cases very old data is included in the mix. Sometimes site extent cutoffs in the survey methodology exclude data from small undesignated sites. This same mix also varies between habitats, in part depending on the proportion falling into designated sites. This is the case even for extent, and certainly is the case for conservation status, where there may be no national system for monitoring the quality of habitats on undesignated sites. Since it can be expected that most habitat change or loss will occur outwith designated sites, this is a very serious weakness indeed. It may be significant

that atlas distribution (presence-absence) data for a suite of relevant indicator species show declines across the board while data on the extent or quality of habitats remains vague, out of date or imprecise. *It is likely that real changes will not be captured accurately or timeously.*

The definition of the habitat does not fit national classifications in some cases, especially of broad habitat types, or may be read as requiring the consideration of other aspects besides vegetation composition (e.g. geology to separate out 'calcareous' substrates for 6210). Old analyses may use old understandings of the definitions; figures may change as a result. Figures can change just due to the refining of survey methodologies or the extension of detailed surveying. Sometimes (4030) massive changes in estimates are recorded, with no apparent explanation. Given the lack of precision in recording, scale can have an impact on the interpretation of data – if losses are concentrated on smaller, more vulnerable (probably undesignated) sites, the chance of recording those are much less. % losses may look substantial, but this is difficult to assess in a context of large uncertainty about the total resource. *Real changes may not be easily distinguishable from artefacts of the methodology or of the lack of precision of some of the data.*

Without detailed explanation, interpretation of habitat losses is impossible and the figure becomes meaningless from a CAP monitoring perspective. Were the losses due to industry or other urban land uses? Were the losses due to agricultural change which the CAP failed to manage coherently, whether intensification or abandonment? Or were they due to the deliberate but careless use of CAP incentives, notably afforestation? *The value of the raw data for monitoring and evaluating the effects of the CAP is limited; detailed explanations are not in the spirit of the indicator set.*

It seems clear also from the degree of effort put into completing the Art. 17 reports by some of the administrations that the task, and that of monitoring habitat conservation status outwith designated sites, is not always given a high priority. If that is the case for the conservation authorities, there is little chance that the CAP indicators based on this reporting system will be very meaningful.

The farming intensity indicator looks likely to be of little value. It is not clear how it is being carried out, but it is in any case not clear how farm-level livestock density translates into the appropriate management of habitat, especially when areas of semi-natural grassland do not dominate the farming system. The suggested cutoff level of 1 LU/ha might be appropriate for some farms, but inappropriately high for others; some farms might have significant areas of intensively managed inbye grassland which raise their overall stocking density, but nevertheless be managing their semi-natural areas well.

Overall, it seems unlikely that these new indicators will be of any use for the purpose for which they were intended, unless the monitoring and data systems are made more robust and detailed.

9. Conclusions

From the point of view of pastures and HNV grazing systems, a number of features stand out in the implementation of the new CAP (Pillars 1 and 2) in the UK:

- Most implementations are unimaginative and not linked well with other policy objectives, considerations of the impact in practice.
- Where there *are* strong policy goals, implementation can be surprisingly innovative, given the limitations set by the Regulations, and are designed to work coherently together to achieve those objectives. The Scottish suite of measures is the major case in point (see below). The Welsh statement on the eligibility of various non-grass forages would also fall into this category, were it not so clumsily-written, partly in contradiction to other parts of the eligibility rules and seemingly not in complete accord with the Regulation.

- Occasionally there are good implementation decisions which seem to have been taken without a deeper political imperative. The English decision on eligibility for land with trees stands out in this regard.
- The suite of available support options in AE is generally impressive, though the lack of a tool to support positive activity/change on the open uplands is a major gap in each of the countries. However, the potential weak link then becomes targeting, with the suspicion that substantial areas of semi-natural vegetation outwith priority sites will not be able to access support in practice. In England and Wales, with no ANC schemes to act as a safety net, the risk of putting all of the eggs in the AE basket then becomes quite high, especially in the uplands.
- Protection rules for permanent grassland are weak and often meaningless. The inclusion in GAEC by all 4 administrations of the EIA rules is a positive development, but the weakness of those rules makes the effectiveness of such a development in practice somewhat questionable.
- There is no interest in meaningful CAP monitoring or in making the (far from perfect) Commission indicators as meaningful as possible. The lack of adequate monitoring on the ground of even Annex 1 habitats outwith designated sites is a serious weakness in conservation strategies.

The Scottish approach and the interweaving of different tools to achieve the desired ends deserves further focus. There are at least two focusses, the first broadly positive and the second broadly negative:

- *Trying to limit payments to truly active farmers on real farmland*
- *Trying to reduce the redistribution from the most productive farms (wrongly seen by the administration as 'the most active')*

A number of issues demand further investigation:

- Look at specific examples of semi-natural areas to see whether the new implementations have extended or reduced claimed area and comment on the appropriateness of that. Where reductions are justified but it is desirable that the vegetation trends are reversed (e.g. bracken or some scrub encroachment), are the combination of CAP signals appropriate and sufficient to generate the desired action?
- Look at the total of CAP support, for example received by groups of farms, and compare this to what is needed for viability (i.e. move beyond 'winners and losers' discourse)
- Look at the targeting of AE and how it works out in practice on the ground for semi-natural/HNV farmland
- Raise more generally the lack of a 'positive' side to AE incentives on upland areas, not instead of, but alongside, 'negative' limitations on grazing intensity
- Discuss more widely and get to understand the policy issues raised by Annex 1 habitats outwith Natura sites – Art 17 seems to imply that there is some importance to these, yet MS seem happy not to monitor them, even when, as in the case of the UK countries, many of them are still taken to be priority habitats in AE

Annex 1 North Pennines Countryside Stewardship Priorities¹²

Biodiversity - top priorities

Priority habitats

Applicants should choose land management options and capital works that maintain, restore and create priority habitats and support priority species that depend on these habitats.

Priority habitats to be maintained include:

- blanket bog
- calaminarian grassland
- lowland fens
- lowland heathland
- lowland meadows
- upland calcareous grassland
- upland flushes, fens and swamps
- upland hay meadows
- upland heathland
- wood pasture and parkland with veteran trees
- ancient and native woodland
- riparian habitat associated with priority rivers and lakes

Priority habitats (especially projects to enlarge existing sites or help join up habitat networks) to be restored include:

- upland hay meadows
- upland mixed ash woods
- lowland heathland
- lowland meadows
- blanket bog
- ancient and native woodland

Priority habitat creation to extend or link priority habitat to increase connectivity and reduce fragmentation. In particular, create priority habitat that will also contribute significantly to improvements in:

- water quality
- air quality
- flood and coastal risk management

Sites of Special Scientific Interest (SSSI)

Restore or maintain SSSIs that include features eligible for options – this includes options that will reduce diffuse water and air pollution effects.

Priority species

Managing priority habitats will create the habitat needs for many of the priority species associated with this area. In particular by providing such essential elements as bare ground, areas of scrub and varied sward structures which will help these species thrive.

This area also has a number of priority species that need tailored management and advice. Applicants should choose land management options and capital works that meet the specific needs of the following priority species:

- black grouse

¹² See entire list at <https://www.gov.uk/government/collections/countryside-stewardship-statements-of-priorities>

lapwing
willow tit
twite
pale bristle-moss
small pearl-bordered fritillary
red squirrel
rare spring-sedge
juniper
downy willow

Breeding wader assemblage

Parts of this area are targeted for their variety of breeding waders. Natural England has assessed it as being nationally significant where one or more of the following species occur:

lapwing
redshank
curlew
snipe

In these areas, applicants should choose land management options and capital works that maintain or enhance conditions for breeding waders.

Woodland bird assemblage

Parts of this area are targeted for their variety of woodland birds. Natural England has assessed the area as being nationally significant where 4 or more of the following species occur:

lesser spotted woodpecker
tree pipit
redstart
pied flycatcher
spotted flycatcher
wood warbler
marsh tit
lesser redpoll
hawfinch

In these areas applicants should choose land management options and capital works that maintain or enhance conditions for woodland birds.

Water - top priorities

Water quality

Applicants should consider options and capital works in the water quality options table that address:
sediment in the Eden Upper and Lower (designated for its habitats), Swale Upper, Tees Middle catchment, Esk and Irthing, South Tyne Lower Catchment and South Tyne Upper catchment
phosphate in the Swale Upper and Tees Middle catchment
nitrate, phosphate and sediment in the Eden Lower catchment
surface water drinking water sources from the Lower Eden catchment affected by pesticides
a protected aquatic species in the River Eden affected by phosphate, nitrate and sediment

These options help improve water quality by controlling the source or the movement of potential pollutants, including:
nutrients from fertilisers, manures and organic materials

sediment from soil erosion and run-off
pesticides from their use and disposal

Flood and Coastal Risk Management

An application will have a greater chance of success if applicants select options for flood and coastal risk issues in the priority areas of the:

upstream areas in Weardale to reduce risk to communities including Westgate, Eastgate and Wolsingham

sites above Alston, Blanchland and in the East and West Allen Valleys

Applicants should choose options from the flood risk table that:

reduce the amount and rate of surface water run-off

reduce soil erosion

slow the movement of floodwaters on floodplains

Historic environment - top priorities

Historic environment

Applicants should choose active management which ensures the long-term survival of historic environment features and protects them against damage and decay. In particular some of the biggest land management threats in this area are from:

animal burrowing

erosion from livestock

plant growth, including from bracken, scrub and trees

structural collapse and neglect

The following features are a high priority for active management in this area:

designated features - archaeological features of national significance (Scheduled Monuments)

designated and undesignated traditional farm buildings and non-domestic historic buildings on holdings

undesignated historic and archaeological features of high significance which are part of the Selected Heritage Inventory for Natural England (SHINE)

Applicants should consider options and capital works to:

revert archaeological sites under cultivation to permanent grass

reduce damaging cultivation and harvesting practices through minimum tillage or direct drilling where this provides a suitable level of protection

remove scrub and bracken from archaeological or historic features

maintain below-ground archaeology under permanent uncultivated vegetation or actively manage earthworks, standing stones and structures as visible 'above ground' features

maintain and restore historic water management systems, including those associated with water meadows and designed water bodies

restore historic buildings that are assessed as a priority in the area

Woodland - top priorities

Woodland management

Climate change, pests (such as deer and grey squirrels) and various diseases threaten woodland.

Applicants' proposals will need to address such threats where present.

Certain types of woodland are a high priority for bringing into management, including:

protected woodland – those designated for their national biodiversity value
priority woodland habitat – other unmanaged broadleaved woodland
priority species – target woodland within priority areas for woodland priority species
planted ancient woodland site (PAWS) restoration – conversion of conifer plantations on ancient woodland sites to broadleaf woodland within priority woodland habitat networks
United Kingdom Forestry Standard – unmanaged conifer woodland within catchments subject to eutrophication and acidification, both to reduce pressures on the water environment and improve biodiversity

All management should comply with the United Kingdom Forestry Standard and other relevant guidance such as ‘Managing ancient and native woodland in England’.

Woodland planting

High priority objectives for new woodland planting include:

biodiversity – planting to buffer and link existing woodlands and other semi-natural open habitats within priority woodland habitat networks

water quality – planting designed to reduce and intercept diffuse pollution from agriculture

flood risk – planting designed to increase infiltration of heavy rain into the ground, reduce erosion, or slow the flow of floodwaters on floodplains

Landscape – top priorities

Landscape

Each application is likely to include a range of landscape features whose restoration should form an important part of agreements. Top priority in the area is the maintenance and restoration of features that will enhance the pattern and scale of the landscape and add to the area’s ‘sense of place’.

Top priorities in this area for landscape are:

stone walls

hedgerows

hedgerow trees

in-field trees

bankside trees

Multiple environmental benefits

Applicants should look to provide for multiple priorities by selecting options that achieve multiple environmental benefits. In this area, the greatest opportunity to achieve multiple objectives is by: establishing new wetland habitat within the Upper Tyne, Wear and Tees catchments, in locations where this will improve water quality, reduce run-off rates into watercourses, enhance biodiversity and landscape character and support flood risk management

managing moorlands and the moorland fringe within Weardale, Teesdale and Allendale to restore blanket bog, wet heath and upland mire habitats to benefit flood risk, carbon storage, water quality, biodiversity, drinking water resources and historic features

restoring hedgerows and stone walls within Weardale, Teesdale and Allendale to manage water flow, decrease soil erosion, improve water quality, create wildlife habitats and corridors, encourage wild pollinators and strengthen the local landscape character

enhancing woodland in Weardale and Teesdale to support juniper and locally native broad-leaved species where this will benefit biodiversity, flood risk and landscape character

enhancing existing woodlands and expanding woodland cover in locations where well managed woodland can benefit landscape character, biodiversity, water quality and flood risk, in addition to wider climate change, economic and social benefits - key locations include: the area bordering the

Eden Valley; the area around Brough

Other priorities

Applicants should select at least one of the top priorities. However, applicants can also select other priorities, as this will increase the score of the application.

The following historic environment features are lower priorities:

designated and undesignated traditional farm buildings
undesignated SHINE features of medium and low significance
priority undesignated historic parklands

Woodland Management

Woodlands not included in the top priority categories listed above are a lower priority for management but may still be supported.

Woodland Planting

Areas are prioritised for new planting based on their potential to create biodiversity and water benefits.

Woodland planting schemes are scored depending on where the proposed scheme is in relation to the opportunity maps for woodland planting in England and how well the planting design will benefit biodiversity and water.

Other priorities for appropriately designed biodiversity schemes exist across the whole of England. Opportunities for new woodland planting for water only exist in certain parts of England.

Climate change

By choosing land management options and capital works which support the management of the vulnerable features and habitats listed in this statement, including where vulnerabilities are increased by climate change, applicants will support the resilience of biodiversity, water and other scheme priorities to the impacts of climate change, which is a cross-cutting objective of the scheme

Annex 2 – Scottish AEC Scheme scoring sheet

1) Scale of delivery

In-bye area to be managed (a): _____ Total in-bye area (b): _____

Percentage = $(a \div b) \times 100 =$ _____

| Percentage | Points per category |
|---------------------|---------------------|
| ≤ 10 | 1 |
| > 10 to ≤ 20 | 2 |
| > 20 to ≤ 30 | 4 |
| > 30 to ≤ 40 | 6 |
| >40 | 8 |
| In-bye score | |

Moorland area to be managed (a): _____ Total moorland area (b): _____

Percentage = $(a \div b) \times 100 =$ _____

| Percentage | Points per category |
|-----------------------|---------------------|
| ≤ 20 | 1 |
| > 20 to ≤ 40 | 2 |
| > 40 to ≤ 60 | 4 |
| > 60 to ≤ 80 | 6 |
| >80 | 8 |
| Moorland score | |

ONLY carry forward the highest points from either in-bye or moorland sections

Diffuse pollution risk

| Percentage | Points per category |
|--|---------------------|
| Application will address 100% of risks identified by farm survey | 8 |
| Application will address less than 100% but more than 50% of risks identified by farm survey | 6 |
| Application will address less than 50% of risks identified by farm survey | 2 |
| Diffuse pollution risk points | |

1. Total scale of delivery points

| |
|--|
| |
|--|

2) National priorities:

| National priorities | Points per category | Application score |
|--|---------------------|-------------------|
| Protected nature sites | 3 | |
| Biodiversity | 3 | |
| Climate change | 3 | |
| Water environment | 3 | |
| Organic farming | 3 | |
| 2. Total national priorities points | | |

3) Site linkage:

| Habitats linked | Points per category |
|-------------------------------------|---------------------|
| 2 – 3 | 2 |
| 4 – 7 | 4 |
| > 7 | 6 |
| 3. Total site linkage points | |

4) Long-term benefit:

| Select all that apply | Points per category | Application score |
|---|---------------------|-------------------|
| Structural works/habitat creation to improve water quality or mitigate flood risk | 3 | |
| Restore dykes >5% of dykes | 1 | |
| Planting dune grasses | 1 | |
| Creation/restoration of wetland or species rich grassland, (minimum 1 ha) | 2 | |
| Capital works benefiting peatlands and moorland (2) | 2 | |
| 4. Total long-term benefit points | | |

5) Value for money

Total application value (a): _____

Total value of infrastructure associated with management (please refer to guidance for list of items to be considered under this criteria). (b): _____

Percentage = $(b \div a) \times 100 =$ _____

| Percentage | Points per category |
|---------------------------------|---------------------|
| 0 – 25 | 0 |
| 26 – 50 | -5 |
| 51 – 75 | -8 |
| 76 -100 | -10 |
| 5. Total value for money points | |

6) Collaborative approach

| In addition to applicant | Points per category |
|--|---------------------|
| 1 collaborator | 2 |
| 2 or 3 collaborators | 4 |
| >4 collaborators | 6 |
| 6. Total collaborative approach points | |

7) Additional points

| | Points per category | Application score |
|----------------------------|---------------------|-------------------|
| Spatial targeting | 2 | |
| Scheduled Ancient Monument | 2 | |
| 7. Total additional points | | |

| | |
|---|--|
| Total application score (add all points totals from 1 – 7) | |
|---|--|

Annex 3 – Notes on and quotations from selected Annex 1 habitat Art. 17 reports

4030 European dry heaths

For England, 'Area' is an *estimate based on partial data with some extrapolation and/or modelling*. Two sample surveys of lowland and upland heaths were extrapolated to give figures for the non-designated area (257,911 ha in SACs, total estimated to be 320,000 ha).

The difficulties in ascribing changes to agriculture without more detailed analysis are referred to: *There have been continuous losses of dry heathlands (upland and lowland) for decades, due to development, afforestation and agricultural changes, as it is evident by looking at aerial photographs and comparing past and current inventories. However, as the inventories become more accurate figures change, without necessarily reflecting a change on the habitat extent. Afforestation is of course encouraged by the permanent grassland rules.*

Lack of appropriate management, resulting in succession to either woodland, bracken or grass stands (usually associated with increased N deposition) is still the main pressure affecting lowland heathland. In the uplands, the focus on grouse moors is preventing the development of a diverse vegetation structure. Many of the former areas are not in agriculture any more, while grouse moor management is actively promoted by AE schemes.

In the refreshingly honest report for Scotland, some of the issues for what is a very common habitat are ventilated. Area is, as in England, an *estimate based on partial data with some extrapolation and/or modelling*.

The Range map is *known to under-represent the distribution of the habitat. Although there is positive confirmation of the persistence of this habitat in designated sites, overall the judgement on range is based on an absence of evidence of change, and therefore the quality of the assessment must be regarded as poor. Consideration of distribution, range and extent often tends to relate to wet and dry heath (together forming the Broad Habitat Dwarf shrub heath) as a single vegetation type rather than to specific Annex I types such as H4030.*

The figure of 2,719 km² used in the last reporting round appears to be a significant underestimate. Although estimates of the extent of dwarf-shrub heath (i.e. wet and dry heaths combined, the vegetation type usually considered) do vary, in general they are significantly higher than this (e.g. CS2007 8940 km², CS2000 9120 km², Mackey et al 1998 11300 km², BARS 2007 7970 km²). (Incidentally, it is difficult to see how the figure given in last reporting round, purportedly based on re-analysis of CS2000 data, came to be 2719 km² – but this hasn't been checked). The figure used here is that given for the Dwarf-shrub heath habitat in CS2007 less the median estimate for the extent of wet heath given in the Habitat dossier for H4010 wet heath, which is derived from LCS88. It is unknown why LCS 88 was not used for H4030 during the previous reporting round.

The report details a number of short- and medium-term factors, some agriculture or CAP-related and some not, which have impacted negatively on European dry heaths, but concludes that *no reliable comprehensive data are available regarding these losses and gains.*

In Scotland, with a huge resource of this habitat, *there is no quantitative information available regarding the condition of the habitat outwith designated sites.*

Wales on the other hand has an estimate for Range based on a complete survey or statistically-robust estimate, thanks to some rather old survey work. A similar claim is made for Area, which seems not to accord with this statement under the Range heading: *Most of the data collection was*

conducted before 2007 and the continued presence of the habitat within individual 10km grid squares has not been confirmed in all cases. A sample survey of heathland within 48 1km squares within the Snowdonia National Park between 2009 and 2011 found 14% of dry heath had been destroyed or partially destroyed since the Phase 1 Survey of Wales. Positive changes are as poorly known as negatives: Some gains are known to have occurred particularly through relaxation of grazing on acid grassland allowing the spread of ericoids. However the area of grassland to heathland conversion has not been quantified.

In Northern Ireland, Range was once again *estimate based on partial data with some extrapolation and/or modelling*. While most of the sites for the habitat had been visited during the recording period, *there are no sources that allow accurate identification of either potential or historic range*. Many sections in the report are summaries of the UK summary report (!?) with the addition of a comment that the same applies in Northern Ireland.

6210 Semi-natural dry grasslands and scrubland facies on calcareous substrates (Festuco-Brometalia)

In England, the Range map *is not based on a comprehensive survey of H6210/6211 and represents data compiled over a wide time period 1980-2007 but including some additional records post 2007 where these add additional 10km squares. It is, however, likely to be an accurate representation of the current broad distribution of 6210/6211.*

That being said, it seems likely that the Area figure includes most significant areas of the habitat: *The area estimate is based on National Vegetation Survey (NVC), Phase 1 habitat surveys and sample surveys such as Countryside Survey undertaken over the last 20 years which are fairly comprehensive for 6210/6211. All known sites from survey are compiled into Natural England's priority habitat inventories.*

Detailed distribution maps of typical species are sourced from UK-wide atlas mapping exercises, but these are presence/absence data. *Condition data is based on UK designated site/SAC units and an Annex 1 feature may or may not cover the whole unit. For non-designated sites, data are only available from a sample survey of lowland examples (a significant amount of the habitat is found in upland limestone areas).*

In Scotland, Range is based on the Site Condition Monitoring database. *Range comments are entered without having seen range map and are based on the assumption of no change except those consequent on re-mapping lowland examples of the habitat.*

For area, the lowland sites are based on a general survey, but even there *the estimated extent in Scotland was extrapolated from the area recorded in the Lowland Grassland Database, on the basis of the area unsurveyed and the area where the habitat could potentially occur*. For the uplands, data is for on designated sites only. There has been confusion of categorisation and reporting, with some habitats fitting the vegetation type but not on calcareous substrates being first included then excluded, and all habitat mapping using the UK National Vegetation Classification, which refers only to the botanical composition of the vegetation. Although the extent of the habitat is limited, *It should be borne in mind that [the reporting of no loss of extent] is based on the absence of evidence of loss rather than complete re-survey and vegetation mapping.*

In Wales, the surveys used *give complete coverage of the region and are considered to give a very good representation of the current distribution and extent of the habitat, although it is very probable that some small outlying stands have been overlooked*. Some of the surveys are quite old, but a *high*

proportion of the habitat is on statutory conservation sites and is so largely protected from destruction. There is therefore a high level of confidence that the pre-2007 data are still representative. Direction of long-term change is recorded as stable, although this assessment is open to some doubt, for example since the Phase 1 survey most of the smaller H6210 habitat patches have received no field visit/survey, without which loss of habitat due to agricultural improvement is especially hard to establish.

As regards quality, no formal monitoring of this habitat has been undertaken on sites outside the designated site series, but given the statutory protection and increased focus of resources for positive management on SACs and SSSIs in Wales, it is highly likely that the non-designated sites will if anything be in a poorer state than the designated sites.

In Northern Ireland *all designated sites have been visited during the period of the report.* Bizarrely, the redefinition of the habitat has been taken in Northern Ireland to imply not only removing examples found on basalt, but on *chalk!* The Northern Ireland Countryside Survey normally reports on all calcareous grassland, irrespective of the precise substrate.

6410 *Molinia meadows on calcareous, peaty or clayey-silt-laden soils (Molinion caeruleae)*

English range map not based on a comprehensive survey, but a series of surveys and records over an extended period, some dating from as far back as 1980. It is however thought to represent fairly the range of the habitat.

Area is thought to be stable, though with no solid data, but with an overall decreasing trend due to agricultural intensification. This seems somewhat contradictory, especially as some elements in the dataset for Area extends were surveyed back as far as the start of the Trends period.

Data for [designated sites] which are outwith SACs covers the BAP priority habitat Purple Moor-grass and rush pastures which in addition to [communities included in 6410], also includes [other communities, including potentially large areas of upland] degraded bog. For non-designated sites, data are only available from a sample survey of examples of the BAP priority habitat purple moor-grass & rush pastures.

Atlas data for indicator plant species suggests that they are all in decline. Data for the marsh fritillary butterfly is more positive – it has been the focus of targeted AE and project-based action.

In Scotland the habitat has a very limited area, occurring in small, widely-distributed patches. Some changes in area/range are apparently due to misclassification or mistaken location of sites in past recording. The total change in area recorded *would be considered negligible in a larger habitat, but raises concern in such a restricted habitat,* but equally a bald % change figure would also be very prone to misinterpretation.

Threats to non-designated sites are assumed to be similar to current pressures on designated sites. It is difficult to distinguish this habitat from the widespread rush pasture on more acid soils and therefore difficult to protect non-designated sites from woodland expansion [under CAP measures].

Wales has good survey data, especially for sites where this habitat, alone or with other high quality grasslands, exceed 0.5 ha in extent – the impact of this cutoff is not clear. Analysis of the Range data *suggest that while the short-term trend in the habitat's range remains stable at the broad scale, this masks an ongoing contraction/fragmentation of its distribution at a more local level,* which in turn suggests a negative long-term trend in range, at least locally.

The current total area is considered to be a moderate reflection of the habitat's presence in the region. The area is based on three high quality data sources and coverage is near comprehensive. Some areas of the habitat may have been overlooked or were too small to be specifically targeted for survey, and a few stands in a wetland context may yet await survey. However, unrecorded areas of the habitat are probably much less significant than recent actual losses: Smith (2012) recorded some loss of habitat at 45% of sites revisited with total losses of habitat area amounting to 40.8 ha; this represents about 27% of the total area of H6410 originally recorded at the revisited sites (by baseline survey). These known losses are not as yet fully reflected in the inventory (Steven & Smith, 2012) and will be indicative of on going declines in extent across the whole suite of sites (see 2.4.4). Thus while the current total area given is considered to be more accurate than that given in the previous reporting round (due to the inclusion in the current reporting round of extent data from two additional surveys), the results of Smith (2012) suggest that the true current extent may be more than 100 ha less.

The data compiled by Smith (2012) strongly suggest that pressures such as agricultural improvement and grazing problems remain and there is every reason to suppose they will continue to be threats to the habitat into the near future. In some cases, issues may have increased relevance in the future, e.g. very likely increased pressure to meet targets for new woodland creation. The habitat seems to be being lost at a rate of >1% per annum, but in its stronghold in SE Wales there is considerable loss to industry and other urban land uses. 40% of the resource is outwith the designated site network.

The issue of status monitoring on non-designated is not covered in the explanatory text, but it seems likely that no such monitoring occurs.

In Northern Ireland, most designated sites will have been visited over the period being reported. Data is interpolated from NI Countryside Survey 'fen meadow' statistics. Change over the period was *not statistically-significant but is large enough to suggest a serious decline in area. From the 2007 report, Northern Ireland Countryside Survey (NICS) suggested an 18% decline between 1991 and 1998 in "Fen meadow" category (this grassland type takes in [6410], but also loosely includes [some other marshy grasslands]). NICS indicated that a large part of the 1991-98 loss of fen meadow was due to conifer plantation. The most recent analysis from NICS (covering period 1998 to 2007) suggests a very similar decline. It is possible that this decline has slowed in more recent times, as agri-environment schemes are implemented and forestry policy has changed.*