Farming Advice Service

Telephone: 0345 345 1302



Arun & Rother Connections

Richard Bellamy MBIAC, 28th November, 2014



Farming Advice Service.

FAS helpline - 0345 345 1302

• provides confidential advice for technical queries

FAS website - <u>http://www.gov.uk/governmentgroups/farming-advice-service</u>

• provides links to information and a calendar of events in your region

Text message updates

• provides you with a reminder of approaching key dates, and updates on current events.

E-newsletter

 articles provide practical guidance on common issues and updates on any forthcoming legislative changes

Twitter

• FAS has joined Twitter. Follow us on **@DefraFAS** for up-to-the minute updates on publications, events and industry information.

Farm and Rural Advice Framework

1st April, 2015. FAS will stay in place until 31.03.15 or whenever the new body is established. This will now be 1st January, 2016

New Land Management Schemes,

Cross-compliance, Trees & Hedgerows,

&

Woodlands

New Régime 2015 England

Basic Payment Scheme (BPS) replaces the Single Payment Scheme (SPS)

• BPS = 1 entitlement per hectare (as SPS) and denominated in Euros.

Key BPS points:

- 1st January, 2015 start date (SPS remains for 2014)
- Choices for Member States as to which system to use
- New entitlements established on land claimed in 2015 but must have made a 2013 claim
- Payment will be based on the unit value(s) in euros of your entitlements and the total number of eligible hectares claimed, using the euro/sterling exchange rate set on an average of the month of September (was at 30th September) in the year of your claim. [payment window opens 1st December]
- Modulation 12% to be reviewed for 2017 maximum 15% no matched funding.

2015 Online applications only.

New system CAP Information Service (CAPIS)

• 2014 the exchange rate is £1 to \in 0.7773

The new scheme will be based on entitlements. And just like for SPS, you'll need 1 hectare (ha) of eligible land to claim payment against (or 'activate') any one entitlement. {Effectively removing 16,000 claimants}

The important things you need to know now about entitlements for BPS in England are: You won't have to apply for new entitlements: The SPS entitlements you hold on 31 December 2014 will become your BPS entitlements on 1 January 2015 (although the values will change). You don't need to have claimed SPS in 2013 to qualify.

However, you won't be able to activate your new BPS entitlements if you're not an 'Active Farmer' <u>OR</u> if you don't have at least 5ha of eligible land and at least 5 entitlements. You'll still be able to transfer them to an 'Active Farmer'.

You'll keep your entitlements as long as you declare enough hectares of eligible land on your BPS 2015 application. If you have an excess of entitlements, you'll lose them.

This means that in 2015 you'll need to declare enough hectares of eligible land to support the BPS entitlements you hold. The land you declare must be in the same 'region' as the entitlements you activate.

You'll lose any excess entitlements. This includes any entitlements that you have leased in.

Dual – Use

This is where a claim for entitlements and Stewardship is separate for owner & licensee or where arrangements are clear that the land is at the disposal of the claimants. This will be allowed provided the criteria is met.

Double Funding

There will be no double funding such as Entry Level Scheme and Greening (EFAs).

Degressivity

The concept of capping payments has been dropped but degressivity remains – the reduction in larger BPS payments, with any monies recouped being channelled into the Rural Development Fund (Pillar 2), 3 options are available:

Option 1 confirmed – 5% above €150,000. (This applies to the 70% entitlement funding only and NOT the greening element so technically starts at approximately €214,290.)

Dual Use

Dual-use continues for all existing Environmental Stewardship agreements, including any still to be signed in 2014.

• Written record required of agreement between parties.

• Where a tenancy agreement exists, tenant should claim BPS (has land at their disposal) and include land in their greening calculations.

 Position for new environmental land management scheme to be confirmed.

Double Funding

Affects Entry Level Stewardship (ELS), Organic Entry Level Stewardship (OELS) and Uplands ELS agreements which started on 1st January 2012 or later.

• Natural England has written to affected agreement holders setting out the choices available :

accept the reduced payment;

 Substitute un-affected options to contribute towards your 30 points per ha threshold and avoid any reduction in payment;

• exit the scheme without penalty or recovery of payments by 31st December, 2014.

• Customers had until the 15th November to reply.

Agri-environment

'Equivalence' concept allows each Member State to have own greening rules as long as environmental benefits result

Double funding will not be allowed – new RD programmes will exclude greening measures although existing pre 2012 can count towards greening.

This will affect Stewardship agreements after 1st January 2012. It will be necessary to review agreements and make sure that points are either increased or accept reduction of payments under ELS.

Natural England have already started process by contacting relevant claimants.

Future Land Schemes

Axis 2 (Pillar 2) supports such as stewardship & forestry. (Modulation funding – 2015 = 12% review for 2017)

- Natural Environment Land Schemes (NELMS) will become effective 2016. Replaces ELS/OELS/HLS etc. Will include forestry which remains with FC.
- New FC applications closed 30th September 2014
- There is intermediate grant 2015 for woodland creation 2000 ha of woodland creation in 2014/15.
- To enable priority work to be undertaken Defra are envisaging at this stage opening in early 2015 with interim NELMS grants for:
 - Woodland Creation for the 15/16 season.
 - Plant Health (with NELMS grants analogous to EWGS Woodland Improvement Grant and Woodland Regeneration Grant)
 - Woodland Management Plans

Further information of the full extent of CAP schemes is available at www.gov.uk/cap-reform

New Scheme for Environmental Land Management

• A new scheme for environmental land management will replace Environmental Stewardship (ES), the English Woodland Grant Scheme (EWGS) and capital grants from the Catchment Sensitive Farming (CSF) programme in 2015.

• The new scheme, part of the Rural Development Programme for England (RDPE), will deliver over £900 million for enhancing the countryside.

• It will be open to all eligible land managers, owners and tenants. If you already have an existing agreement which runs past 2015, you'll be able to carry on with this agreement until it ends.

• Overall, biodiversity will be the priority for the new scheme, with water also an important area of focus. The scheme will deliver outcomes for the historic environment, landscape quality and character, genetic conservation and educational access. It will also contribute to climate change adaptation and mitigation.

• Alongside current Environmental Stewardship and English Woodland Grant Scheme agreements, the new scheme will be the main way of supporting a wide range of local, national and international environmental commitments. It will be delivered by Natural England, the Forestry Commission and the Rural Payments Agency.

• Woodland Grants will be open in annual windows and with target areas (such as woodland for water areas) Invitation to apply and then work towards point scoring before submission. At end of each windows session applicants will be advised as to outcome of their application dependent on demand & budgetary constraints.

How the scheme will work

The new scheme will have 5-year voluntary contracts. There may be times when contracts will run for more than 5 years. You'll be able to apply for the scheme in three ways:

 On the most environmentally important sites, holdings and woodlands – the application process will be similar to the current Higher Level Stewardship (HLS) scheme. In many cases these will be locations which need complex management, for example habitat restoration. The full range of scheme options is potentially available to applicants, along with one-to-one advisory support.

To apply for one of these agreements, applicants need to speak to Natural England or the Forestry Commission first.

2. For any other holding or site – agreements will be available nationally through a competitive online application process. Your application will be assessed against environmental priorities in the local area.

The range of management options available will be limited to those that are effective but simple to implement - especially when delivered a cross a wide area to address common goals. For example habitats for farmland birds and pollinators or water quality.

3. A range of capital grants will be funded from 2016 – grant funding of up to £5,000 will be available for land managers who do not have a current multi-annual agreement, or don't wish to enter into one. It will focus on restoration of boundary features.

Capital grants will also be available to support the production of woodland management plans and in response to tree health issues as well as targeted grants with associated advice for water quality benefits.

Countryside Stewardship Scheme (CSS) – 2015

Replaces:

- Environmental Stewardship (ES) existing to continue;
- English Woodland Grant Scheme (EWGS) continues subject to new regulations;
- Catchment Sensitive Farming (CSF) capital grants programme.

Main Priorities:

- Biodiversity;
- Water Quality

Two Tiers:

- Higher Tier for environmentally important sites & woodland
- Mid Tier widespread environmental issues
- Applications July 2015 to start 1st January 2016
- Lower tier of capital grants (eg Hedgerows & Boundaries Capital Grants)
- Double Funding 19 Options under CSS count as double funding if used as EFA

Agreements generally 5 years with scoring system

3 agreements more than 5 years

- 1. Water/wetland habitats coastland re-alignment; wetlands; salt marsh; peat restoration; blanket bog.
- 1. Complex tenure arrangements Upland & lowland commons
- 2. Woodland creation maintenance support 10 years for establishment

Greening

BPS – Greening Element

30% of National Ceiling allocated to greening and will also be for individual's payment during internal convergence. It is an annual test.

Three measures that must be complied with:

- 1. Crop diversification
- 2. Protection of Permanent Pasture
- 3. Ecological Focus Areas (EFAs)

Organic Farms either established or in transition will be exempt by qualifying for greening but not EFA or diversification..

Agricultural Area is Permanent pasture; Permanent crops – 5 years or more (includes SRC; Nursery crops & multi-annual for SPS); Arable crops - (incl: crops; fallow & temporary grassland – latter incl: Lucerne; Fodder Vetches etc but not fodder crops as arable in own right)

Non-compliance results in:

- loss of 30% greening payment in 2015, 2016
- loss of greening + 20% in 2017 & + 25% in 2018

- beware that deliberately ignoring the 30% rules will be deemed intentional for all payment.

The whole eligible agricultural land area is included for Greening not just area where entitlements claimed

Ecological Focus Areas EFAs

Must be 5% of arable area. Must be sited on/adjacent to arable land.

Options include:

Hedges upto 10 metres wide. No cutting 1st March to 31st August (was 1st August) {Defra seeking derogation on new rules for cutting which has been restricted by I month such as where OSR is being planted} 1 linear metre = 10 sq.m see variations

Buffer strips along or leading to water courses minimum 1 metre width [1 metre length = 9 sq.m]

Nitrogen fixing crops - 1 sq.m = 0.7 sq.m

Fallow: period runs from 1st January to 30th June. (Must be fallow 1st May – 30th June) 1 ha = 1 ha Wild-bird seed mixes & Nectar sources can be planted during fallow period. (At least two unharvestable mixed crops)

Catch crops established by 31st August until 1st October (See schedule for crops) 1 sq.m = 0.3 sq.m

Cover crops established by 1st October to at least 15th January (See schedule for crops - grass cover crop can be undersown) 1 sq.m = 0.3 sq.m

Minimum area 0.01 hectares catch/cover crops

Hedges

Following cross-compliance definition of a hedge (Hedgerow regulations 1997):

- Row of bushes and shrubs, minimum 20m length, or less where it meets another hedgerow at each end.

- Gaps up to 20m allowed, including gateways.

– No rules on width or height. Newly planted hedges can be included so long as they are in the ground at the time of application.

- Hedges on banks are eligible.

• Farmers must follow cross-compliance rules and meet any ELS/HLS management requirements.

To count for EFA, the hedge must be on/next to arable land.

• Longest edge must 'touch' arable land on at least one side, but can be separated from it by fence or BPS eligible feature.

Claim 10m₂/linear metre where:

- Farmer has arable land 'at his disposal' on both sides of the hedge.

– Farmer is responsible for both sides of the hedge, with arable land at their disposal on one side and permanent grassland, permanent crops or nonagricultural land (e.g. woodland or road) on the other.

• Claim 5m₂/linear metre where:

- Farmer is responsible for one side of hedge only and has arable land at their disposal on that side of the hedge.

Question – do you want to use them? – delayed payment possible

- If **responsible** for both sides can count the whole hedge
 even if one side is P Grass or a road
- If responsible for one side only –count half of hedge
- 1m run of hedge = 10m₂of EFA (regardless of actual hedge width)
- Minimum length 20m (gaps up to 20m allowed)
- Hedge must be on, or adjacent to arable land

Buffer Strips

Buffer strips count 9m₂ per linear metre towards EFA.

• Must be next to a watercourse (can have strips on both sides) or parallel with, and on a slope leading down to, a watercourse within the same land parcel. Can have one of each in same parcel.

• Minimum of 1m wide, measured from top of the bank into the field, or edge to edge for an infield buffer strip.

• Wider strips can be counted partly as fallow, but the two parts must be distinguishable.

• No production, but grazing and cutting allowed. Wild bird seed mixes & nectar sources can be sown on parallel strips.

Buffer strip can't be separated from watercourse by man-made or landscape feature, apart from a fence

• In-field buffer strip must have eligible arable crops on either side, be distinguishable from them and sited to influence run-off.

Fallow

- 1 ha of fallow land counts as 1 ha for EFA. 1st May to 30th June
- Minimum width of 2m and minimum area of 0.01ha.
- No crop production or grazing. Must be kept suitable for grazing or cultivation. Can't be used as storage area.
- Temporary grassland can be used as fallow.
- Grass and un-harvestable mixes of wild bird seed can be sown during fallow period.
- Herbicides can be applied and fallow land can be cultivated for weed control.
- Drainage work can be carried out.
- No restriction on use outside fallow period, but wild bird seed mixes can't be harvested or grazed.



Permanent crops

Permanent crops are crops that occupy the land for 5 years or more (other than permanent grassland) and provide repeated harvests.

This includes short rotation coppice, nursery crops and multi-annual crops.

Permanent crops will be eligible under BPS. The area of permanent crops a business has will also count towards their eligible agricultural area in 2015.

Land covered by permanent crops does not have to follow the greening rules, but the greening payment will be worked out using all the land that entitlements are activated against, including land used for permanent crops.

Short rotation coppice

Short rotation coppice means areas planted with tree species of CN code 0602 90 41 that consist of woody, perennial crops, the rootstock or stools remaining in the ground after harvesting, with new shoots emerging in the following season.

The eligible species for short rotation coppice are:

- Alder (Alnus)
- Ash (Fraxinus excelsior)
- Birch (Betula)
- Hazel (Corylus avellana)
- Hornbeam (Carpinus spp)
- Lime (Tilia cordata)
- Poplar (Populus spp)
- Sweet chestnut (Castanea sativa)
- Sycamore (Acer pseudoplatanus)
- Willow (Salix spp)

The maximum harvest cycle (the period between harvests) is 20 years.

The New Rules for Soils

GAEC 4 – Maintain minimum soil cover

 Farmers must protect soil by having a minimum soil cover – except where there is an agronomic justification for not doing so, or where establishing a cover would conflict with requirements under GAEC 5. Information on acceptable agronomic justifications and soil cover will be in the soils guidance available later this year.

GAEC 5 – Minimum land management reflecting site-specific conditions to limit erosion

- Farmers must put measures in place to limit soil and bankside erosion caused (for example) by: cropping practices and cropping structures livestock management, including outdoor pigs and poultry, causing overgrazing and poaching wind vehicles, trailers and machinery.
- Where compaction may cause soil erosion, farmers must, where appropriate, cultivate post-harvest land and late harvested crops using primary cultivation methods such as ploughing. Alternative primary cultivation methods will be included in the soils guidance.
- A reduction in a farmer's agricultural payments could happen where erosion is over a single area greater than 1 hectare, or along a continuous stretch of more than 20 metres long and 2 metres wide of a bankside or a watercourse.
- Examples of appropriate measures to limit soil erosion will be provided in the soils guidance later this year.

GAEC 6 – Maintenance of soil organic matter level through appropriate practices, including a ban on burning arable stubble except for plant health reasons

Farmers must:

- not burn crop stubble, except for plant health reasons. Where burning is needed for plant health reasons, it must comply with the Crop Residues (Burning) Regulations (1993) (Regulations 4 (b) and 5).
- comply with the Heather and Grass Burning Regulations (2007) (Regulations 5(2) and 6(1)(a)).
- comply with the Environmental Impact Assessment Regulations (EIA) (2006) (Regulations 4, 9, 26 and 28).
- Do not plough, cultivate or intensify species-rich and semi-natural habitats so as to conserve organic matter and carbon levels in soils.

Nitrate Vulnerable Zones (NVZs) (Water Framework Directive)

A Nitrate Vulnerable Zone (NVZ) is designated where land drains and contributes to the nitrate found in "polluted" waters. Polluted waters include:

- Surface or ground waters that contain at least 50mg per litre (mg/l) nitrate
- Surface or ground waters that are likely to contain at least 50mg/l nitrate if no action is taken

• Waters which are eutrophic, or are likely to become eutrophic if no action is taken

(A water is eutrophic if it contains levels of nitrogen compounds that cause excessive plant growth resulting in "an undesirable disturbance to the balance of organisms present in the water and to the quality of the water").

Environment Agency – Nitrate Vulnerable Zones





Surface Water NVZ Area



Groundwater NVZ Area Groundwater NVZ Area

Eutrophic NVZ Area Eutrophic NVZ Area

2014 grassland derogations - Fertiliser Accounts submission by 30 April 2015

NVZ grassland farmers granted derogations are required to submit 'Fertiliser Accounts' to the Environment Agency by 30 April of the following calendar year. Farmers granted a derogation for 2014 will need to submit their Fertiliser Accounts by 30 April 2015.

A practical and easy-to-use Fertiliser Accounts template is expected to be available in the new year.

Nitrate Vulnerable Zone (NVZ) grassland derogation to apply for 2015

- Grassland farmers can apply for a derogation from the 170kg of nitrogen per hectare (N/ha) per year livestock manure limit provided they meet certain criteria.
- If your application is approved and you meet certain conditions, you will be able to spread up to 250kg of manure N/ha per year from grazing livestock on your farm. Applications can be submitted via Defra's <u>Farming Online system</u>.
- If you are unable to apply online, telephone applications are being handled by the Environment Agency's helpline on 03708 506 506. All applications must be submitted by **31 December 2014**.
- Whether you are applying online or by telephone, you will need to have information about your holding to hand.
- If you have not previously applied for or been granted a derogation, you may find a question and answer document that has been prepared on the subject useful. Please email <u>nitratesdirectiveteam@defra.gov.uk</u> to obtain a copy.

Further information on the derogation can be found in Chapter 6, Part B and at Annex 2, Part B of the <u>NVZ guidance</u>.

Abstraction licence expiry

Abstractors who hold a time-limited licence that expires on 31 March 2015 must submit an application to replace it (if they still wish to abstract) before 31 December 2014. The Environment Agency is accepting applications now and encourages abstractors to apply early.

For further information about applying or renewing a water abstraction licence, please visit the <u>Environment</u> <u>Agency website</u> or call the Customer Contact Centre on 03708 506 506.

Useful Internet Sites:

 Forestry Commission: <u>www.forestry.gov.uk/</u> <u>http://fortingall.forestry.gov.uk/glade/land&l=e&c=e&controls=labels%3atrue</u>

- Also Ecological Site Classification for tree species selected for climate change
- Environment Agency:

www.gov.uk/government/organisations/environment-agency

Go to: Environmental data & maps

Go to: Start now

Go to: What's in my backyard

Choose maps

English Woodland Grant Scheme Claims

Existing schemes

- New FC applications closed 30th September 2014
- All claims must be submitted on time as per the claim year in your contract.
- We will not pay late claims.
- We will not be reminding customers to make claims.
- Woodland Creation has a claim deadline of 30 September 2015 to allow associated Farm Woodland Payments to be made.
- Woodfuel Woodland Improvement Grant also has a claim deadline of 30 September 2015.

Contour Farming

Farming with row patterns nearly level around the hill-not up and down hill.

How it works

Crop row ridges built by tilling and/or planting on the contour create hundreds of small dams. These ridges or dams slow water flow and increase infiltration which reduces erosion.

How it helps

Contouring can reduce soil erosion by as much as 50% from up and down hill farming. * By reducing sediment and runoff, and increasing water infiltration, contouring promotes better water quality.

Planning ahead

Will more than one key contour line be needed because of steep or irregular slopes? Are terraces or strip cropping needed for steeper slopes? Are field borders needed to replace end rows in the contouring system to control sheet and rill erosion?

• Tech notes

Establish a key line around the hill by using a hand level or contour gauge.

Contour key line grade should not exceed 2% except within 100 feet of an outlet. In that case, the grade can be a 3% slope.

Perform all tillage and planting operations parallel to the key contour line.

Contouring is less effective in preventing soil erosion on steeper or longer slopes.

Replace end rows with field borders to reduce erosion.

Topography may be too steep and/or irregular to contour.

Maintenance

Use grassed waterways in areas where runoff is concentrated to prevent gully erosion.

Contoured rows should enter the grassed area of waterways on the level, but should direct water into the grass.

To avoid having to lay out new key contour lines every year, establish a narrow permanent strip of grass along each key contour

Depends on angle of slope and equipment





Examples

Example 1.

924 Ha 'home' farm. Plus 136 Ha contract farmed (claim by owners) Land let out for potatoes and pigs

Cropping (2015 est.)Ha

Winter Wheat	467
Winter OSR	202
Winter Barley	125
Spring Beans	54
Potatoes (let out)	58
Outdoor Pigs (let out)	18



Requirement

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'Arable' land = 924 Ha – 58 (pots) –18 (pigs) = 848 Ha claim, > 30 Ha \therefore 3 crops required
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Outcome

✓4 crops already present (WW, WOSR, WB, SB), two main crops under 95% of total

Example 1 cont:

Contract Farming

136 Ha total - one of 57 Ha, one of 79 Ha, separate claimants

> 30 Ha : 3 crops required, BUT, currently block-cropped, only one crop per year Options? Contractor mixes cropping; land swaps (risky?), FBT?

Let Potato Land

Pure potato business 58 Ha on this farm + 121 Ha elsewhere = 179 Ha.

> 30 Ha ∴ 3 crops required, BUT, only one ×

Options? 'New land, New crop' exemption likely

Let Pig Land

18 Ha > 10 Ha \therefore 2 crops required, BUT, only one \times

Options? Will be deemed as temporary grassland so grassland exemption will apply 💙

Example 2.

Combinable crop farm. Total eligible area 170 Ha (420 acres)

Cropping (2015 est.) Ha

Winter Wheat	104
Winter OSR	52
Potatoes (let out)	10
Game Covers / Fallow	4



Requirement

'Arable' land = 170 Ha –10 Ha = 160 Ha, > 30 Ha ∴ 3 crops required

Outcome

WW, WOSR & GC, But, WW & WOSR > 95% of arable area 🖊

Options? Potatoes on cropping licence \checkmark Spring wheat variety (*winter planted?*) \checkmark Other third crop (beans?) \checkmark Increase fallow/GC area (min. 160 x 5% = 8 Ha) \checkmark

Example 3.

Large dairy farm, 150 Ha (280 cows plus followers) growing maize.

Cropping (2015 est.)HaTemporary Grass (TG)89Permanent Pasture27Maize32Kale2



Requirement

'Arable' land = 89 + 32 +2 = 123 Ha, > 30 Ha ∴ 3 crops required

Outcome

Maize, TG & kale, *But* maize & TG > 95% of arable area ***** Exemptions? Over 75% of eligible area is in grass (89 + 27 ÷ 150 = 77%), *But* remaining arable land > 30 Ha *****

Options? Reduce maize/kale below 30 Ha ✓

Increase third crop area (min. 123 x 5% = 6.2 Ha)