A guidance note on Environmental Stewardship for heritage properties designated under the Inheritance Tax Act 1984

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Summary

This guidance is for heritage property designated by HM Revenue & Customs under the Inheritance Tax Act as conditionally exempt from capital taxes\(^1\) or as the object of a maintenance fund and benefitting from the conditional exemption tax incentive\(^2\). Such property is referred to in this guidance note as “heritage-relief property.” Undertakings given by owners of heritage-relief properties for maintenance etc. of such properties are referred to in this guidance as “heritage-relief undertakings.”

Heritage-relief properties will normally be eligible for Environmental Stewardship. However, Environmental Stewardship options may not be selected if they replicate the mandatory requirements of heritage-relief undertakings for heritage properties designated under the conditional exemption tax incentive. These mandatory requirements are often set out in detail in a management plan but might be identified specifically in the heritage-relief undertakings. This will be an issue whether the Environmental Stewardship applicant is the owner benefiting from the exemption or a tenant. See examples in section 5 for further clarification.

\(^1\) ‘Capital taxes’: inheritance tax or capital gains tax.

\(^2\) [http://www.hmrc.gov.uk/heritage/index.htm](http://www.hmrc.gov.uk/heritage/index.htm)

\(^3\) The term ‘maintenance etc’ is used in this guidance as follows: to maintain land designated for its outstanding scenic or historic or scientific interest under section 31(1)(b) of the Inheritance Tax Act 1984 and preserve its character; and/or to maintain, repair and preserve buildings designated for their outstanding historical or architectural interest under section 31(1)(c) and land designated under section 31(1)(d) of the Act as essential for the protection of buildings so designated.
The broad range of options in Entry Level Stewardship (including Uplands ELS) and Organic Entry Level Stewardship means that virtually all heritage-relief properties should be able to find sufficient options to allow entry to the scheme.

Heritage-relief properties will be eligible for Higher Level Stewardship without first entering into an Entry Level Stewardship agreement in those rare cases where the property cannot find sufficient options to meet the points target to enter under Entry Level Stewardship.

Penalties for payments made for ineligible Environmental Stewardship options required by the mandatory heritage-relief undertakings will be proportional to the number/percentage of ‘points’ for that element.

Advice on individual Higher Level Stewardship applications for heritage-relief properties is available from Natural England and professional advisers. Members of associations etc. may wish to seek additional advice from their relevant representative body. See ‘Contacts’ section.

Since Natural England cannot make Environmental Stewardship payments for work required by existing legal obligations, owners/managers of heritage-relief properties will need to ensure that their tenants are made fully aware of the relevant mandatory heritage-relief undertakings so that tenants are properly informed when considering applying for Environmental Stewardship. NB: Natural England looks at the obligation as it applies to the land rather than to the individual person.
1 Purpose of this guidance

1.1 Look after your land with Environmental Stewardship and Look after your Uplands with Environmental Stewardship provide information on the Environmental Stewardship scheme. The Environmental Stewardship handbooks briefly explain the relationship between Environmental Stewardship and properties designated under the Inheritance Tax Act 1984.

1.2 This guidance provides more detailed advice for owners and managers of heritage-relief properties in England or their tenants who are considering applying for Environmental Stewardship. Since every heritage-relief property is unique, this guidance cannot answer all possible questions about eligibility. However, this guidance explains the principles of Environmental Stewardship in relation to heritage-relief properties, identifies issues to bear in mind and provides contact details for further advice. This guidance should be read with the Environmental Stewardship handbooks.

1.3 Heritage-relief property (conditionally exempt from capital taxes or designated as the object of a maintenance fund by HM Revenue & Customs) is normally eligible for Environmental Stewardship.

1.4 However, applicants must not claim for work that is a formal (mandatory) requirement of the undertakings agreed with HM Revenue & Customs for heritage-relief property. The underlying principle is that Natural England cannot make Environmental Stewardship payments for work required by existing legal obligations.

4 ‘Capital taxes’: inheritance tax or capital gains tax.
1.5 Applicants will therefore need to look carefully at:

- the steps the heritage-relief undertakings oblige them to take for maintenance, etc;
- the particulars or detail of which may be set out in the heritage management plan (if there is one); and
- the relevant Environmental Stewardship options that are available for this land to ensure that ineligible work is not included in the application.

1.6 In older cases there might not be any identifiable steps, merely a general undertaking to take reasonable steps for maintenance etc. In such cases applicants may wish to seek advice on individual Environmental Stewardship applications from Natural England. See ‘Contacts’ section.

1.7 This guidance is a Natural England publication and has been prepared with input from the Central Association of Agricultural Valuers, the Country Land and Business Association, Defra, English Heritage, the Historic Houses Association, the National Farmers Union (NFU) and the Tenant Farmers Association. HM Revenue & Customs have seen the guidance and have offered no objections.

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5 The term ‘maintenance etc’ is used in this guidance as follows: to maintain land designated for its outstanding scenic or historic or scientific interest under section 31(1)(b) of the Inheritance Tax Act 1984 and preserve its character; and/or to maintain, repair and preserve buildings designated for their outstanding historical or architectural interest under section 31(1)(c) and land designated under section 31(1)(d) of the Act as essential for the protection of buildings so designated.

6 where the death or other occasion of fiscal charge occurred before 19 March 1985.
2 Introduction to Environmental Stewardship (ES)

2.1 Environmental Stewardship (ES) is an agri-environment scheme that provides funding to farmers and other land managers in England who deliver environmental management on their land. The scheme is intended to extend the recognised success of the Environmentally Sensitive Areas, Countryside Stewardship and Organic Farming Schemes. ES management builds on the cross compliance requirements of the Single Payment Scheme (SPS). It is a condition of joining ES that cross compliance requirements are observed across the whole of the agreement holder’s agricultural holding, regardless of whether an SPS claim is submitted for that land. ES comprises four strands: Entry Level Stewardship, Organic Entry Level Stewardship, Uplands Entry Level Stewardship and Higher Level Stewardship.

2.2 Entry Level Stewardship (ELS)

2.2.1 There is a broad range of management options to cover all farming types. These range from maintenance of existing features (e.g. hedgerows, stone walls) to simple yet effective environmental management (e.g. preventing soil erosion and run-off from farmland). ELS does not fund capital works.

2.2.2 This range of management options can be thought of as ‘positive management’ or ‘maintenance-plus’.

2.2.3 See Section 3.4 for information about overlaps between undertakings and ELS.
2.2.4 Each management option is worth a certain number of points. To enter ELS, farmers will need to select management options to reach an overall points target calculated on the eligible area of the farm. Acceptance is guaranteed providing the scheme eligibility requirements are met.

2.2.5 Uplands Entry Level Stewardship (Uplands ELS) supports hill farmers with payments for environmental management. This strand of Environmental Stewardship succeeds the Hill Farm Allowance. It is open to all farmers with land in Severely Disadvantaged Areas (SDAs), regardless of the size of the holding.

2.2.6 See ELS Handbook for more information about Uplands ELS.

2.2.7 Applicants are responsible for submitting their own ELS applications correctly without advice from Natural England. The process has been designed so that applicants should normally be able to prepare and submit their own applications without the need for professional advice. However, if you prefer, you can authorise an agent to submit an application on your behalf. You can also authorise an agent to act on your behalf on all matters relating to the maintenance of your agreement. See section 3.4 and Appendix 1 for information about overlaps between undertakings and Uplands ELS.

2.3 Organic Entry Level Stewardship (OELS)

2.3.1 The list of organic management options under OELS is similar to ELS but some options are excluded as they are unsuitable for organic farming systems. In addition, organic conversion payments are available for top fruit orchards and improved land.

2.3.2 OELS is open to all organic farmers with land that is registered as being fully organic or in conversion with an organic inspection body and not currently receiving Organic Farm Scheme conversion aid. It can be thought of as ‘positive management for organic land’.
2.3.3 Applicants are responsible for submitting their own applications correctly without advice from Natural England. The process has been designed so that applicants should normally be able to prepare and submit their own applications without the need for professional advice. However, if you prefer, you can authorise an agent to submit an application on your behalf. You can also authorise an agent to act on your behalf on all matters relating to the maintenance of your agreement. Acceptance will be guaranteed providing an applicant is already registered as an organic producer with an organic inspection body and the other scheme requirements are met.

2.3.4 See Organic Entry Level Stewardship handbook for more information about OELS.

2.4 Higher Level Stewardship (HLS)

2.4.1 The main objectives of HLS are wildlife conservation; protection of the historic environment; maintenance and enhancement of landscape quality; promotion of public access; and natural resource protection. Secondary objectives are flood protection and genetic conservation. See Higher Level Stewardship handbook for more information about HLS.

2.4.2 HLS is carefully targeted to deliver significant environmental benefits in high priority situations and areas.

2.4.3 The long list of HLS management options is linked to specific environmental features. These will be tailored to individual situations. There are also grants for a range of capital works. HLS can be thought of as paying for ‘capital repairs or enhanced management’.
2.4.4 Applicants are asked to produce an HLS Farm Environment Plan before applying. HLS agreements will be drawn up in discussion between applicants and Natural England.

2.4.5 HLS applications normally need to be underpinned by an ELS agreement or application. It is possible that owners of heritage-relief property or their tenants may find it difficult to achieve the points target for ELS because the existing requirements of their mandatory heritage-relief undertakings replicate available ELS management options. In such cases, Natural England will consider the application for HLS ‘as if’ underpinned by an ELS agreement.

2.4.6 Acceptance into HLS is not guaranteed – HLS applications are assessed by Natural England on a case-by-case basis.

2.4.7 See section 3.5 for information about overlaps between heritage-relief undertakings and HLS.
3 Specific advice relevant to designated heritage properties

3.1 Environmental Stewardship provides vital funds for landscape conservation, management and enhancement. Heritage properties designated under the conditional exemption tax incentive are normally eligible for Environmental Stewardship payments. Applications from owner/occupiers or tenants for grant aid from public funds (such as Environmental Stewardship) will be supported where the payments assist the conservation and enhancement of the heritage-relief property that goes beyond the requirements of the mandatory heritage-relief undertakings. To decide whether the work is a requirement of the heritage-relief undertakings, the question to ask is whether the owners of heritage-relief properties would be in breach of their heritage-relief undertakings if the work was not done? If the answer is ‘yes’, then the work is a requirement of the heritage-relief undertakings and these requirements should be made clear to tenants.

3.2 Environmental Stewardship applications for heritage-relief properties need to take into account the following issues:

- The relationship of agri-environment scheme agreements and heritage-relief undertakings;
- relationship of agri-environment scheme agreements and Heritage Management Plans;
- the baseline condition of the heritage-relief property;
- working with tenants; and
- reasons for designation.
3.3 Relationship of agri-environment scheme agreements and heritage-relief undertakings

3.3.1 The heritage-relief undertakings are a formal agreement between the owner(s) and HM Revenue & Customs. For heritage-relief land and outstanding buildings, undertakings normally require the owner(s) to take reasonable steps to:

- maintain the heritage-relief land and preserve its character;
- maintain, repair and preserve the designated building;
- provide reasonable public access;
- publicise the access and the heritage-relief undertakings.

3.3.2 These general undertakings relate to the condition of the heritage-relief property at the time of designation.

3.3.3 In addition, some heritage-relief undertakings specify additional work that is required to bring the property back into the condition normally expected for a property of its type. This is normally where there has been a period of reduced levels of maintenance. This is often referred to as ‘catch-up maintenance’.

3.3.4 Maintenance works required by the heritage-relief undertakings are referred to as ‘mandatory requirements’. This means:

- any normal/routine maintenance work that secures the continuing condition of the property as it was at the time of designation (for example keeping land as permanent pasture and thereby preserving its character);
- any specific additional works required as ‘catch-up maintenance’ (for example repairing a roof of a stable block identified as in poor repair at the time of designation and itemised in the heritage-relief undertakings).
3.3.5 Modern assessments require a ‘baseline condition survey’ to be undertaken at or around the time of designation. Following designation, the Agencies regularly assess the condition of the heritage-relief property and the provision of reasonable public access. This is to monitor the compliance of owners with their heritage-relief undertakings. The Agencies will report to HM Revenue & Customs any deterioration in the condition of the heritage-relief property, adverse changes to its character and/or problems relating to public access.

3.3.6 Under Environmental Stewardship rules, no claim can be made for any work that replicates the formal requirements of the undertakings for heritage-relief property agreed with HM Revenue & Customs. This means that agri-environment scheme payments will not be available on conditionally exempt land for the following types of work:

- normal/routine maintenance works to maintain the heritage-relief property and preserve its character, and repair designated buildings;
- catch-up maintenance works specifically identified in the heritage-relief undertakings; or
- works required to remedy deterioration of the condition of the heritage-relief property, adverse changes to its character or problems relating to public access, where this is a result of poor management after designation and the date of any heritage-relief undertakings.

3.3.7 A baseline condition survey will provide evidence of the condition of the heritage-relief property at the time of designation. This can help demonstrate whether or not application works are mandatory requirements of the heritage-relief undertakings (routine/catch-up/remedial maintenance) or are over and above the requirements of the undertakings.
3.3.8 Some older heritage-relief undertakings may not give clear guidance on whether proposed works are likely to be eligible for agri-environment scheme payments. There may not be a good baseline survey of the character and condition of the property at the time of designation. In these cases, it may be helpful to seek advice from the Agencies or a professional adviser. Members of associations etc. may wish to seek additional advice from their relevant representative body.

3.3.9 Heritage-relief undertakings that overlap with the compulsory requirements and/or prescriptions of ES may restrict the choice of management options for applicants or (for HLS) result in a reduced payment rate.

3.3.10 Section 5 of this guidance provides some examples to illustrate what works may or may not be eligible.

3.4 Overlaps between undertakings for heritage-relief property designated under the conditional exemption tax incentive and ELS including Organic ELS but excluding Uplands ELS

3.4.1 Natural England and Defra have agreed the following approach:

- Options that overlap with the mandatory requirements of the heritage-relief undertakings **are not eligible** for ELS (excluding Uplands ELS) and OELS payments.

3.4.2 Applicants can select any ELS and/or OELS option for their ES agreement that in their opinion does not overlap with the heritage-relief undertakings for each specific property, subject to the normal eligibility criteria.
3.4.3 ELS and OELS options that include any prescription that overlaps with the undertakings for any specific heritage-relief property cannot be selected.

3.4.4 Applicants are responsible for checking whether the undertakings for their specific heritage-relief property overlap with ELS or OELS options. Owners should provide details of the requirements of the heritage-relief undertakings to tenants so that tenants can check any overlaps with Environmental Stewardship options before applying. See section 5 for examples.

3.5 Overlaps between undertakings for heritage-relief property designated under the conditional exemption tax incentive and Uplands ELS

3.5.1 Unlike ELS, Uplands ELS includes mandatory requirements that apply to all land within the Uplands ELS agreement, regardless of whether that land is subject to heritage-relief undertakings.

3.5.2 Natural England and Defra have agreed the following approach:
- Requirements and options that they regard as **substantially different** from the heritage-relief undertakings **are eligible** for Uplands ELS payments.
- Requirements and options that they regard as **substantially the same** as the heritage-relief undertakings **are not eligible** for Uplands ELS payments.

3.5.3 As general guidance, an analysis of the requirements and options against the general heritage-relief undertakings is shown in Appendix 1.

3.5.4 The Uplands ELS mandatory requirements and most of the other Uplands ELS options are substantially different from the undertakings for all the heritage-relief properties currently designated under the conditional exemption tax incentive within the Severely Disadvantaged Area (SDA).

3.5.5 NB: Agreement land outside the SDA has to comply with ELS scheme rules.
3.5.6 Applicants must be able to carry out the appropriate Uplands ELS requirement on each parcel of land, and can select any Uplands ELS option for their ES agreement that has been identified by Natural England as substantially different from the heritage-relief undertakings for each specific property, subject to the normal eligibility criteria.

3.5.7 Uplands ELS options that are substantially the same as the undertakings for any specific heritage-relief property cannot be selected.

3.5.8 Applicants are responsible for checking whether the undertakings for their specific heritage-relief property overlap with Uplands ELS requirements and options. Owners of heritage-relief property should provide details of the requirements of the heritage-relief undertakings to tenants so that tenants can check any overlaps with Environmental Stewardship options before applying. In any case of doubt the owner should consult Natural England or Defra.

3.5.9 Natural England has sent guidance to those who, at the publication date of this guidance (2011), already owned heritage-relief land in the SDA to explain how the undertakings for each heritage-relief property in the Uplands overlap with Uplands ELS requirements and options. For guidance on overlaps for any individual heritage-relief properties within the SDAs granted heritage-relief since publication, please contact Natural England – see ‘Contacts’ section. The guidance identifies Uplands ELS requirements and options that are “substantially the same” as and/or “substantially different” from heritage-relief undertakings. The guidance should be used by applicants, and made available by heritage property owners to any tenants of the affected land who may be considering applying for Uplands ELS, to identify whether undertakings for specific heritage properties are likely to overlap with Uplands ELS requirements and options. Again, in case of doubt the owner should consult Natural England or Defra.
3.6 Overlaps between undertakings for heritage-relief property designated under the conditional exemption tax incentive and HLS

3.6.1 Heritage-relief undertakings that overlap with the compulsory requirements and/or prescriptions of HLS may restrict the choice of options for applicants or result in a reduced payment rate.

3.6.2 Natural England and Defra have agreed the following approach:

- HLS prescriptions that they consider to overlap with the formal (mandatory) requirements of the heritage-relief undertakings for a specific heritage-relief property will not be eligible for payment.
- HLS options that include overlapping prescriptions may be eligible for payment at a reduced rate.
- The reduced rate will be based on the value of the overlapping prescriptions.

3.6.3 This means that applications can be made for any HLS option, subject to the normal eligibility criteria, but the payment rate may be reduced.

3.6.4 Payments will not be made for HLS options that are the same as the heritage-relief undertakings for the relevant part of any specific heritage-relief property.

3.7 Relationship of Environmental Stewardship agreements and Heritage Management Plans

3.7.1 Heritage Management Plans (HMPs) include the detailed steps that demonstrate how owners comply with their heritage-relief undertakings. They are a management tool. They do not necessarily provide a comprehensive schedule of all routine maintenance work required by the general undertakings for the maintenance, etc. of the heritage-relief property. It is important to read the Heritage Management Plan together with the heritage-relief undertakings in the context of the requirements of the Inheritance Tax Act 1984 and associated legislation.
3.7.2 HMPs may include works that go beyond the formal (mandatory) requirements of the heritage-relief undertakings, such as voluntary proposals to improve the property (known as ‘voluntary enhancements’).

3.7.3 HMPs can cover heritage-relief property plus additional land within the same ownership but not part of the heritage-relief property. Some HMPs have been prepared for land that is not designated as heritage-relief property.

3.7.4 Modern HMPs distinguish between mandatory requirements and voluntary enhancements, often using these phrases explicitly. This distinction may not be apparent in older HMPs. However, sometimes the wording can help identify the type of proposal:

- proposals that are mandatory requirements often include words such as ‘maintain’, ‘retain’, ‘preserve’, ‘continue’;
- proposals that are voluntary enhancements often include words such as ‘restore’, ‘new’, ‘develop’, ‘remove’, ‘replace’, ‘enhance’, ‘improve’.

3.7.5 It is also helpful to cross-check the HMP against the heritage-relief undertakings and any baseline survey. For example, ‘repair’ works may be considered a mandatory requirement where there is a specific undertaking to maintain, repair and preserve a listed building, or to repair the damaged roof of a building. However, ‘repair’ works may be considered a voluntary enhancement where the work is not specifically identified in the heritage-relief undertakings and goes beyond what could reasonably be expected.

3.7.6 Please contact the relevant Agency for advice if it is not clear whether a proposal is a formal (mandatory) requirement of the heritage-relief undertakings or a voluntary enhancement (see ‘Contacts’ section).
3.7.7 HMPs can provide a useful framework for developing and discussing HLS management options. The HLS Farm Environment Plan can draw on the content of the HMP, and can be attached as an appendix to the HMP.

3.8 Working with tenants

3.8.1 Where tenancy agreements predate designation as a heritage-relief property and therefore do not contain a legal requirement upon the tenant to adhere to the requirements of the heritage-relief undertakings, HM Revenue & Customs expect owners to use their best endeavours to ensure their tenants comply with the requirements of the undertakings.

3.8.2 Natural England cannot accept Environmental Stewardship applications for works that are a formal (mandatory) requirement of the heritage-relief undertakings regardless of whether the application comes from the tenant or the owner/occupier. Hence where the landowner is bound by undertakings to do the work in question that fact would preclude a successful application from the tenant in relation to the same work. This is because Natural England look at the relationship between the work and any legal obligation and the land rather than the relationship with any particular individual person.

3.8.3 Owners and their agents need to ensure that tenants considering ELS, Uplands ELS, OELS or HLS applications are aware of the requirements of the heritage-relief undertakings and the mandatory requirements of any Heritage Management Plan so that tenants can ensure any applications take account of the relationship between the undertakings, any Heritage Management Plan and Environmental Stewardship.

3.8.4 Tenants may also need reminding that, analogously with 3.8.2 above, ES options may not duplicate works required by any tenancy agreement.

3.8.5 Good communication between owners, agents/professional advisers and tenants is essential.
4 Resolving conflicts

4.1 If applicants inadvertently apply for payment for works which are later assessed to be required by the heritage-relief undertakings, repayment to Natural England will be for the specific work that is required by the undertaking. Applicants are encouraged to select ELS/OELS/Uplands ELS options to exceed their points target to provide a safety buffer.

5 Illustrative examples

5.1 Entry Level Stewardship example

5.1.1 The heritage-relief undertakings for Estate A require the owner to ‘maintain land as permanent grassland’ because the pastoral appearance of the land contributes to its scenic interest. At the time of designation, normal management of Estate A included applying moderate levels of fertiliser. Therefore the ES applicant can claim:

- ELS payment to manage permanent grassland with low inputs; or
- ELS payment to manage permanent grassland with very low inputs

since these options go beyond the requirements of the undertakings.
5.1.2 The heritage-relief undertakings for Estate B require the owner to ‘maintain land as permanent grassland without fertiliser input’ because the semi-improved grassland contributes to the outstanding scientific interest of the land. Therefore the ES applicant:

- will not be eligible to claim ELS payments to manage permanent grassland with low or very low inputs; but
- can claim ELS payment for mixed stocking since in this case the heritage-relief undertakings do not specify the type or rate of stocking.

5.2 Organic Entry Level Stewardship example

5.2.1 The heritage-relief undertakings for Estate C require the owner to ‘maintain land as permanent grassland with low fertiliser input’ because the semi-improved grassland contributes to the outstanding scientific interest of the land. Since designation, the land has been converted to organic farming systems. The grassland has been managed with low organic fertiliser inputs and livestock in these fields have not received supplementary feeding. Natural England has confirmed that the semi-improved grassland is in favourable condition under the current organic management.

5.2.2 The ES applicant can claim OELS payment to manage the permanent grassland with very low organic fertiliser inputs since the heritage-relief undertakings required low rather than very low fertiliser inputs.

5.3 Uplands Entry Level Stewardship example

5.3.1 The heritage-relief undertakings for Estate U specifically restrict the owner from supplementary feeding of livestock on the SSSI moorland except in emergency conditions and then only hay must be fed. Therefore the ES applicant cannot claim payments for no supplementary feeding on moorland (UL17).
5.4 Higher Level Stewardship example

5.4.1 The heritage-relief undertakings for Estate D require the owner to ‘maintain the land and preserve its character.’ Part of the parkland is under permanent pasture, the remainder has been in arable cultivation since the beginning of the Second World War. The parkland character at the time of designation was grass sward and parkland trees where land was under pasture, and open fields enclosed by woodland belts where land was under arable cultivation.

5.4.2 The ES applicant can apply for HLS payments for:

- reducing fertiliser inputs to the permanent pasture;
- converting arable land to permanent pasture to restore the parkland to its pre-Second World War character;
- new parkland tree planting in accordance with historic maps to restore the parkland to its 19th century character.

5.4.3 The ES applicant should not apply for HLS payments for replacement planting on a like for like basis for the existing parkland trees when they come to the end of their life.

5.4.4 The heritage-relief undertakings for Estate E require the owner to ‘maintain, repair and preserve the designated buildings listed on schedule 1; including work to repair the damaged roof of the stable block in accordance with the specification attached as schedule 2.’ The buildings listed on schedule 1 are designated for their outstanding interest. There are also some outlying traditional farm buildings which contribute to the outstanding interest of the land but are not designated in their own right and therefore not listed on schedule 1. These are maintained in a weatherproof condition with tin roofing where the original slates had been removed years before designation.
5.4.5 The ES applicant:

- should not apply for HLS payments for routine repairs to the outstanding buildings listed on schedule 1;
- should not apply for HLS payments for repairs to the roof of the stable block;
- can apply for HLS payments for replacing the tin roofing of the vernacular buildings with new stone slates to match existing adjacent traditional materials, which will enhance the property.

5.5 Part requirement/part enhancement

5.5.1 The heritage-relief undertakings for Estate F require the owner to ‘maintain the land and preserve its character as a traditional upland country estate.’ The assessment of the estate at the time of designation noted the contribution of the dry stone walls to the outstanding scenic interest of the property. The baseline condition survey noted that most stone walls are in good condition but one wall between fields G1 and G2 was in poor condition. The heritage-relief undertakings require the owner to carry out catch-up maintenance work to part of the wall (section X). The remainder of the boundary is post and wire fence (section Y).

5.5.2 The ES applicant proposes to repair and rebuild the stone wall between fields G1 and G2. The ES applicant:

- cannot claim payment for repairing section X (catch-up maintenance);
- can claim payment for new length of stone wall Y (voluntary enhancement).

5.5.3 Natural England will make the payment on a pro-rata basis, related to the length in metres of section X and section Y.
6 The application process

6.1 The application process is outlined in the Environmental Stewardship handbooks

6.2 ES applicants for heritage-relief properties should also consider the following points:

- do not mark the boundary of the designated area on the map that you submit to Natural England. However, you may find it helpful to mark the boundary on your own copy of the map, as a reminder when deciding which options to include in your application;
- check undertakings and any Heritage Management Plan to make sure that the elements/works are not a formal requirement of the heritage-relief undertakings;
- seek advice from the relevant Agencies particularly where there is a lack of clarity in the heritage-relief undertakings;
- check the baseline condition survey to make sure that the proposed application does not include remedial maintenance work;
- make sure the application includes ES management options which exceed the points target to provide a safety net;
- for HLS, cross-check the proposed works against the Heritage Management Plan (if available);
- if in doubt leave it out; and
- finally, ensure your application includes a Declaration that none of the works subject to claim is a formal requirement of the designation as heritage-relief property.
Contacts

Natural England Environmental Stewardship contacts

Please see Environmental Stewardship handbooks for Natural England Environmental Stewardship contacts.

Natural England
Block B Government Buildings
Whittington Road
Worcester WR5 2LQ
www.naturalengland.org.uk

Natural England’s Inheritance Tax Exemption team
www.naturalengland.org.uk/heritagelandscapes
Amanda Mathews Tel: 01747 871679
André Berry Tel: 01244 540076
Jane Wilson Tel: 0300 060 2773
Leslie Pearman Tel: 0300 060 1227

English Heritage
1 Waterhouse Square
138-142 Holborn
London EC1N 2ST
www.english-heritage.org.uk
Tel: 020 7973 3000
(ask for your regional Business Manager)

H M Revenue & Customs
Heritage Team
Ferrers House
PO Box 38
Castle Meadow Road
Nottingham NG2 1BB
www.hmrc.gov.uk/heritage
Tel: 0115 974 2514

Country Land and Business Association
16 Belgrave Square
London SW1X 8PQ
www.cla.org.uk
Tel: 020 7235 0511
Historic Houses Association  
2 Chester Street  
London SW1X 7BB  
www.hha.org.uk  
Tel: 020 7259 5688

Tenant Farmers Association  
5 Brewery Court  
Theale  
Reading  
Berkshire RG7 5AJ  
www.tfa.org.uk  
Tel: 0118 930 6130

The Central Association of Agricultural Valuers (CAAV)  
Market Chambers  
35 Market Place, Coleford  
Gloucestershire GL16 8AA  
www.caav.org.uk  
Tel: 01594 832979

NFU  
Agriculture House  
Stoneleigh Park  
Stoneleigh  
Warwickshire CV8 2TZ  
www.nfuonline.com  
Tel: 02476 858500
Appendix 1

Overlaps between general undertakings for heritage relief properties and Uplands ELS

This Appendix identifies those Uplands ES requirements and options that are considered by Natural England and Defra to be “substantially the same” as / “substantially different” from the general heritage-relief undertakings.

Heritage-relief undertakings require that owners maintain the land and preserve its character in the state of management that existed on the date the heritage-relief property was designated under the conditional exemption tax incentive (allowing for any ‘catch-up’ maintenance).

It is the applicant’s responsibility to check that options selected are eligible before making an application for Uplands ELS.

Options shown as AMBER cells in the Appendix table are considered to be substantially the same as the heritage-relief undertakings, unless the applicant is maintaining an enhanced state of management. Applicants should only include these options on heritage-relief property if they can demonstrate that the condition of a feature and/or its management has improved since the date that heritage relief was granted.

Options shown as GREEN cells in the Appendix table are considered to be substantially different from the heritage-relief undertakings. Applicants can include these options in ES applications for heritage-relief property.
Options shown as WHITE cells in the Appendix table are either:

- **substantially the same** as the heritage-relief undertakings – this applies to those heritage-relief properties where the relevant option prescriptions are identified specifically as mandatory requirements; or
- **substantially different** from the heritage-relief undertakings – this applies to those heritage-relief properties where the relevant option prescriptions are not requirements of the specific undertakings.

Applicants should check the detailed requirements of the undertakings for the specific heritage-relief property before deciding whether to include these options in their application.
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<th>Appendix 1</th>
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Natural England is here to secure a healthy natural environment for people to enjoy, where wildlife is protected and England’s traditional landscapes are safeguarded for future generations.


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