



Department
for Environment
Food & Rural Affairs



CAP Reform
Countdown

The new Common Agricultural Policy schemes in England: December 2014 update



Please read this important information

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What the icons mean

This icon: **Means that this information:**



is important information



has been decided and will be part of the new schemes



hasn't been agreed yet – more information will be available early next year



Since we published our last leaflet more decisions have been made. These 2 icons next to each other mean that this information wasn't agreed in an earlier leaflet, but is now.



CAP Reform | Introduction

Countdown

This leaflet follows the one we sent in October. It provides more details on the Basic Payment Scheme (BPS) and our new online service for rural payments. It also contains all the details we have so far on 'Countryside Stewardship', the new environmental land management scheme.

We are determined to do everything we can to help food and farming thrive. That is why we are making the new Common Agricultural Policy (CAP) rules as simple and flexible as possible, so that farmers can concentrate on continuing to provide high quality British food.

Since our last leaflet we have worked with the European Commission to simplify the active farmer rule. We have now agreed that all farmers in England with at least 36 hectares of eligible land will qualify as an active farmer under the rule. We will continue to do everything we can to minimise red tape and keep things as simple as possible.

Our new online service

We are continuing to build our new online service for claiming rural payments. We will continue to make improvements to it and add new features over the coming months.

The new rules mean we need to gather lots of information, so the first year is going to be pretty time-consuming. But, once all of the information is in, subsequent years will be a lot quicker. Early next year, farmers will receive an e-mail or letter asking them to register on the service and get started on their claim.

The Basic Payment Scheme

This leaflet provides more details on land eligibility for the Basic Payment Scheme. Pages 11 to 16 include some examples of activities and land features with an explanation of how they might affect a BPS claim. We have also included information about how the '28 day rule' will work under BPS and who can apply for BPS entitlements.

Countryside Stewardship

Our new environmental land management scheme, 'Countryside Stewardship', will contribute around £900 million to rural businesses to help them improve the countryside environment. It will be open to all eligible farmers, land managers, land owners and tenants.

This leaflet provides all the details we have on the scheme, which is part of the Rural Development Programme for England. The European Commission has yet to approve the Programme, so if any of the information in this leaflet changes, we will let farmers know. This information replaces the previous leaflet about Countryside Stewardship, which was published on GOV.UK.

This leaflet

Each of our CAP Reform Countdown leaflets is designed to build on the one before it and is intended to be read as part of a series of updates. This leaflet adds to the information we published in April, August and October. Previous leaflets can be found on GOV.UK at www.gov.uk/cap-reform. Full BPS scheme guidance will be published in 2015.



CAP Reform | Latest news

Countdown

Latest news and updates about the new Common Agricultural Policy and rural payments.

More information about qualifying as an active farmer



We can now confirm that, even if they operate one of the 5 'non-agricultural activities', all farmers with at least 36 hectares of eligible land will be able to apply for the Basic Payment Scheme (BPS) as an active farmer. Read pages 9 and 10 for more information.

The second re-admission criteria has now changed. Farmers can qualify as an active farmer if they prove that their total agricultural receipts are at least 40% of their total receipts in the most recent financial year.

Cross compliance guidance now available for 2015



The 'Guide to cross compliance in England 2015' has now been published. The rules will apply from 1 January 2015 for the whole of the calendar year. We are sending a copy to all farmers who have a current claim, but it is also available on GOV.UK. Search for 'Cross compliance: guidance for 2015' at www.gov.uk.

How utility and transport works affect Basic Payment Scheme claims



If a farmer has utility or transport works taking place on their land, it can sometimes mean that the land isn't eligible in that scheme year and they can't use entitlements to get paid for it. In some cases, this may result in farmers losing 'excess' entitlements in 2015. Read page 12 of our October leaflet for more information about 'excess' entitlements.

If this happens, farmers may wish to seek compensation for the loss of their entitlements and payments from the organisation carrying out the work.

Cross border claims

In early 2015 we will send detailed guidance to those farmers who claimed SPS in more than one part of the UK (England, Wales, Scotland and Northern Ireland). This guidance will also be published on GOV.UK. We provided some information about what these farmers need to do to follow the greening rules in our August update.

Making changes to the Rural Land Register

In early 2015, farmers will be able to make changes to their maps on our new online service – read page 5.

Until then, farmers can use the 'RLE1 form' to:

- register new land for the first time
- make changes to land already on the Rural Land Register (for example, if the boundaries change, or if you transfer the land to someone else)

In the new year, we will tell you what the deadline for accepting RLE1 forms to make changes to the Rural Land Register will be.

Making buffer strips 'visually distinguishable' from fallow land

Ecological Focus Area (EFA) buffer strips must be 'visually distinguishable' from neighbouring EFA fallow land. An inspector on the ground, or someone seeing an aerial photograph, should be able to tell the difference between the two. This applies throughout the whole fallow period.

The difference could be because:

- it's different vegetation
- the vegetation is of different heights
- the land management is different (for example, the fallow land has been cultivated)



Permanent crops

On page 14 of our August update, we said: 'Permanent crops are crops that occupy the land for 5 years or more (other than permanent grassland) and provide repeated harvests.'

To clarify, a crop does not have to have been in the ground for 5 years before it counts as a permanent crop. The definition relates to the type of crop, rather than the length of time it's already been in the ground. Read the examples of permanent crops on page 15 of our August update.



The location of a hedge for Ecological Focus Areas

We can now confirm that if a hedge is separated from the rest of the arable land by an ineligible feature (for example, a ditch more than 2 metres wide, a stone track with a man-made surface, or a road) the hedge cannot be used as an Ecological Focus Area feature. (However, if the other side of the hedge is on your arable land, the whole hedge can still be counted).

For more information about hedges as EFA features, read page 7 of our October update.

Spring and winter crops for crop diversification

In our October leaflet we told you that we were working with the industry to produce a list of the winter and spring varieties of brassica crops. We plan to publish the list in early 2015.



Claim BPS payment for hemp

Farmers can claim BPS payments for eligible varieties of hemp, as long as they have a licence from the Home Office to grow it. It is against the law to grow hemp without a licence.

The rules are the same as for Single Payment Scheme. They will be explained in full in the BPS guidance.

In their application, farmers must tell the RPA which land parcels they are growing hemp on.

Latest news

So RPA can confirm the varieties of hemp grown, licensed growers will have to write their Single Business Identifier (SBI) on the official seed labels, and send them to the RPA when they apply. RPA will return these labels.

Find a list of eligible varieties of hemp on the Common Catalogue of Varieties of Agricultural Plant Species:

http://ec.europa.eu/food/plant/plant_propagation_material/plant_variety_catalogues_databases/index_en.htm

More information about the BPS definition of 'a farmer'

In our October update, we said one of the things that qualified someone as a farmer was 'maintaining an agricultural area so that it is kept clear of dense scrub.'

We can now confirm that 'dense' scrub is any area of scrub that cannot be grazed.

Dual use in Countryside Stewardship agreements



In our October update, we confirmed that dual use will be allowed under existing Environmental Stewardship and English Woodland Grant Scheme agreements, including those signed in 2014. We will publish more information on how we deal with dual use in Countryside Stewardship as soon as we can.



CAP Reform Countdown | Claiming rural payments: the new online service

We're building a new service for claiming rural payments on GOV.UK, to make it easier for farmers to get their money.

At the moment we are asking farmers' agents to register on our new service. We'll start asking farmers to register in the new year.

There will be regular updates about this as we add new features and make changes. The best way to stay up-to-date is to follow our blog: www.capreform.blog.gov.uk.

Get help to claim rural payments online

You can get help if you need it – including at support centres which we're opening around the country.

If you'd like help, or if someone you know will need some support, please call the RPA on 03000 200 301.

New rules and new service

The new rules mean we need to gather lots of information, so the first year is going to be pretty time-consuming. But, once all of the information is in, subsequent years will be a lot quicker.

We began to invite small numbers of customers to give us feedback on the service in August. Since then, we've made lots of improvements. We'll keep making improvements to the service into 2015 and beyond. This is the way we now build online services, making regular fixes and improvements.

Registering and making a claim

We'll invite farmers to register. They'll need to 'verify their identity' to access the service and make a claim. There are two ways to do this – by telephone with the RPA, or online using a new system called GOV.UK Verify. Farmers won't be able to use Government Gateway for this service.

Read our blog for updates and for more information on registration: www.capreform.blog.gov.uk.



CAP Reform | Basic Payment Scheme: Countdown | Applying for entitlements

Page 15 of our October update explained that young farmers and new farmers can apply for entitlements from the national reserve. Here is more information about what they need to do.

In early 2015, young farmers and new farmers will be able to apply for new entitlements. Applicants must:

- apply using the new online service (read page 5), and
- send the RPA a 'certification form' (filled in and signed by an independent solicitor/accountant)

They must do this by 15 May 2015.

Proving you are a 'young' or 'new' farmer

We explained who is a young and new farmer under the BPS rules on page 15 of our October update. To prove their status, young farmers and new farmers will need to take certain documents to an independent solicitor/accountant who is not an employee of the business. These documents must show:

- that they are in control/head of the holding of their agricultural business (see definition of 'in control' on page 8)
- the date they took control of the business, and
- their date of birth

Applicants will also need to take a 'certification form' for the solicitor/accountant to fill in and sign. This is to prove that they have seen the documents and that they confirm the information in them. The signed certification form will then need to be sent to the RPA.

The full BPS guidance will explain where to get the certification form and how it works.

The tables below give examples of the sorts of documents applicants might need to show their solicitor/accountant, depending on the legal status of their business.

Sole traders	
To show you are in control of the business/head of the holding	<ul style="list-style-type: none"> • land deeds or title register showing you own the land • VAT registration certificate or income tax return for the business in your name • tenancy agreement, showing you leased the land • evidence of inheritance (land or business) • business bank account statement, naming you as the account holder • business loan agreement naming you as the borrower • annual business accounts, naming you as beneficiary

Sole traders	
To show the date you became in control of the business	<ul style="list-style-type: none"> land deeds or title register showing the date the land was purchased tenancy agreement with start date VAT/income tax document showing the date of registration evidence of inheritance, showing the date business bank account statement or business loan agreement, showing the date it was set up annual business accounts showing the date they were first produced
To show your date of birth	<ul style="list-style-type: none"> passport birth certificate driving licence

Partnership	
To show you are in control of the business/head of the holding	<ul style="list-style-type: none"> partnership agreement showing the partners and percentage shares/votes held and, where it exists, any variation of previous partnership document showing the changes to the original agreement legally binding agreement showing business shareholdings partnership accounts if they demonstrate ownership annual accounts naming the applicant and number of shares/votes held
To show the date you became in control of the business	<ul style="list-style-type: none"> partnership agreement demonstrating the date it was agreed and, where it exists, any variation of previous partnership demonstrating the date of variation legally binding agreement demonstrating the date the business shareholding was set up partnership accounts demonstrating the date they were first set up annual accounts including the date they were first produced
To show your date of birth	<ul style="list-style-type: none"> passport birth certificate driving licence

Basic Payment Scheme: Applying for entitlements

Legal person (registered with Companies House)	
To show you are in control of the business/head of the holding	<ul style="list-style-type: none">legally effective document demonstrating business shareholdings (this information is likely to be lodged at Companies House)
To show the date you became in control of the business	<ul style="list-style-type: none">legally effective document (this information is likely to be lodged at Companies House) demonstrating the date you became in control
To show your date of birth	<ul style="list-style-type: none">passportbirth certificatedriving licence

We will check our records to see if we have any evidence to show that the farmer has previously been in control of a farming business.

Young farmers will also be able to use the certification form to support an application for the young farmer payment. Read page 18 of our October update for more information about the young farmer payment.

What does 'in control' mean?

As we explained in the October leaflet, to be 'in control' of an agricultural business, a person must be directly exposed to (at risk of) personal financial benefit or harm resulting from the success or failure of the business. A majority of shares and votes will give 'control' over the business.

More than one person can 'control' the business if:

- there is a formal agreement between them to vote together, giving them a majority of the business votes and shares, or
- they jointly own shares, giving them overall majority control

If you are 'in control' of a business, this means you are the 'head of holding'.



CAP Reform | Basic Payment Scheme: Countdown | Active farmer

Since we published our October update, we have more information about what an active farmer is and what evidence they might need to send to us.

In our October leaflet, we told you that the 5 'non-agricultural activities' that mean farmers might not qualify as an active farmer are:

- airports
- railway services
- waterworks
- permanent sport and recreational grounds
- real estate services

We now have more information about:

- what 'real estate services' are
- the 're-admission' criteria
- the types of evidence required to prove someone is an active farmer

In our October leaflet, we explained that all farmers will qualify as an active farmer if they received a payment of €5,000 or less in the previous year (before any penalties were applied or cross compliance reductions were made).

For SPS 2014 €5,000 is £3,886.50 (before any penalties were applied or cross compliance reductions were made). These farmers still need to have 5 hectares of eligible land and 5 entitlements.

Also, we can now confirm that farmers with at least 36 hectares of eligible land will also qualify as active farmers (see below for more information).

Real estate services

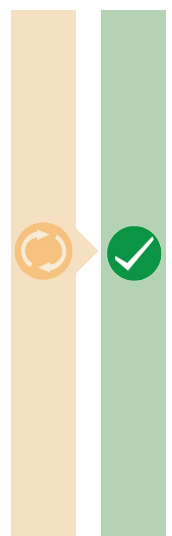
In our last leaflet, we explained 4 of the 5 non-agricultural activities that mean applicants don't automatically qualify as an active farmer.

The fifth, 'operating a real estate service', applies to:

- professional property developers
- real estate agencies
- natural/legal persons managing real estate on a fee or contract basis

Renting out the following will not count as operating a real estate service:

- accommodation facilities on a farm
- apartments or homes that are in a farmer's private property for housing purposes
- part of buildings or surfaces on the holding
- agricultural land to third parties



Basic Payment Scheme: Active farmer

Re-admission criteria

Farmers who operate any of the 5 non-agricultural activities may still qualify as active farmers if they meet one of 3 're-admission criteria'. We included information about this on page 20 of our October update, but we now have more information.

The first criterion is the same as in our last update:

- the farmer's annual payments for SPS or BPS (including the greening payment and any young farmer payments) are at least 5% of their total non-agricultural receipts in the most recent financial year

The second has changed and is now:

- the farmer's total agricultural receipts are at least 40% of their total receipts in the most recent financial year



This percentage has risen from 15% since our last leaflet following discussions with the European Commission.

We now have more information about the third:

- the farmer has at least 36 hectares of eligible land

The BPS guidance will include all of this information when it is published next year.

What evidence you need

Farmers will need to send a 'certification form' to the RPA to show how they meet the first two criteria. This must be based on financial information from the business's latest completed accounting year, beginning no earlier than 3 years before the year of the claim.



For example, farmers making a claim in 2015 can only use accounts which begin after 31 December 2011.

The 'certification form' must be filled in and signed by an independent solicitor/accountant who is not an employee of the business.

The full BPS guidance will explain how to get the certification form and how it works.



CAP Reform | Basic Payment Scheme: Countdown | What land is eligible

Some features and areas on your land might not be eligible for BPS. Also, some activities might make the land ineligible.

In our August update, we explained the 'eligible agricultural area' that active farmers could claim for BPS and the three types of land they could include in their claims (arable, permanent grassland and permanent crops). This land must be 'at their disposal' – there is more information on 'land at your disposal' on page 49 of the 'Single Payment Scheme Handbook for England 2013' (which is available on GOV.UK).

Now, we can tell you about the features or activities on land that might not be eligible for payment. Farmers can use this information to work out what they need to do to meet the greening rules.

Remember: farmers must still meet the 'active farmer' rule if they want to claim BPS. This section is about whether land is eligible for BPS.



Below are some examples of activities and features, explaining how they might affect your BPS claim (this isn't a complete list). Some activities don't affect BPS payments if they don't last longer than 28 days.

Most of these rules are the same as they were for the Single Payment Scheme.

You can only claim BPS payments on land parcels that have an eligible area of 0.1 hectares or more.



Activities that don't affect BPS payments

There are no restrictions on the following activities – land is still eligible for BPS because it can still be used for agricultural purposes:

- walking
- bird watching
- nature/farm visits by schools or other educational institutions
- horse or bicycle riding along bridleways, or on tracks, margins or other permitted routes
- fishing
- hedge-laying competitions, local ploughing competitions or other demonstrations of farming that do not affect the land being in good agricultural and environmental condition (GAEC) – but if these events include trade stands, they are covered by the list of activities with a 28-day limit (read page 12)
- shooting game
- deer stalking
- drag hunting
- paragliding and hang gliding



Basic Payment Scheme: What land is eligible

Activities with a 28-day limit

The following activities won't make the land ineligible for BPS, as long as they don't last more than 28 days in the calendar year:

- clay shooting
- car boot sales
- car parking
- country fairs and shows
- farm auctions and shows
- horse riding activities using apparatus or fixtures, like show-jumping or an in-field cross-country course
- ballooning
- festivals and events
- scout or guide camps, or similar
- using land for television and film locations
- caravan sites
- motor sports
- grass airstrips

Even if an activity lasts less than 24 hours, that still counts as 1 of the 28 days. The 28 days do not have to be consecutive. You should count all the days in the calendar year that the land is not available for agricultural activity (for example, when preparing the land for the activity, or clearing up afterwards).

If you go over the 28-day limit due to circumstances that are completely beyond your control, please let RPA know and they will consider your case.

Activities that mean farmers cannot claim BPS payments on the land

Using land for a permanent sports facility, like a golf course, means it's not eligible for BPS, because it's not considered to be in agricultural use. Community recreational land (such as land used primarily for public recreation and/or dog walking) is not eligible for BPS.

The area taken up by pens for rearing game is not eligible for BPS. However, if the pens are moved at least every 28 days, the area will be eligible for BPS, under the 28-day limit.

Find out if a land feature is eligible for BPS

Even if land is eligible for BPS, there might be some features and areas on it that are not eligible – see the table on the following pages. This list is not exhaustive and more information will be provided in the full BPS guidance.

Note that the rules for hedges and solar panels are different than they were for SPS.

Feature/area	Eligible for BPS?	More information
Agricultural sheds	No	
Allotment gardens – non-commercial	No	
Allotments – commercial (market gardens)	Sometimes	Commercial allotments are eligible if they are used to produce an eligible crop that is intended for commercial sale. (Allotments might include ineligible features, like sheds).
Animal shelters on bare soil (excluding pens for rearing game)	Sometimes	If these are temporary or mobile structures on a natural surface, they are normally eligible.
Animal shelters on hard standing	No	
Bracken	Sometimes	To be eligible as permanent grassland, bracken needs to be managed so that it is in a state suitable for grazing.
Buildings – residential, commercial or agricultural	No	
Buffer strips along watercourses	Yes	
Ditch/drain/dyke	Sometimes	If it forms part of a field boundary, it is eligible if: <ul style="list-style-type: none"> • it is under 4 metres wide for the majority of its length, and • the boundary is the centre of the ditch/drain/dyke If it is not part of a field boundary, it is eligible if it is up to 0.01 hectares.
Earth banks	Sometimes	Earth banks protected under cross compliance are eligible for BPS.
Farmyards	No	
Fenced off pylons	No	
Gallop – grass	No	
Gallop – non grass	No	
Glass house (on hard standing)	No	
Glass house (not on hard standing)	Sometimes	Eligible if used to grow eligible crops.
Golf course (copse/ patch of trees)	No	

Basic Payment Scheme: What land is eligible

Feature/area	Eligible for BPS?	More information
Golf course (bunkers, greens, fairways and areas of rough that are part of the playing course)	No	
Hard standings	No	
Heap – compost, muck – temporary (in the same place for less than 3 years)	Sometimes	Eligible if: <ul style="list-style-type: none"> it's stored in the field on which it is to be used the amount stored is appropriate for that field (larger amounts are ineligible) it will be used as part of the normal cultivation cycle
Heap – compost, muck – permanent (in the same place for more than 3 years)	No	
Heap – straw, hay, silage – temporary (in the same place for less than 3 years)	Sometimes	Eligible if: <ul style="list-style-type: none"> it's stored in the field from which it was harvested, or on which it is to be used the amount stored is appropriate for that field (larger amounts are ineligible)
Heap – straw, hay, silage – permanent (in the same place for more than 3 years)	No	
Heather	Sometimes	To be eligible as permanent grassland, land needs to be managed so that it is in a state suitable for grazing.
Hedges	Sometimes	Hedges protected under cross compliance are eligible for BPS.
Machinery storage area on grass or bare soil	Sometimes	Not eligible if it has been stored in the same place for one year or more.
Peat production	No	
Polytunnels on hard standing	No	
Polytunnels on soil	Sometimes	Must be used to grow eligible crops.
Ponds	No	
Railway	No	This includes the rail line and any land either side of the tracks inside the fenced boundaries.
Recreational parks	No	
Residential gardens	No	

Feature/area	Eligible for BPS?	More information
Rivers and streams	Sometimes	If it forms part of a field boundary, it is eligible if: <ul style="list-style-type: none"> it is under 4 metres wide for the majority of its length, and the boundary is the centre of the watercourse If it is not part of a field boundary, it is eligible if it is up to 0.01 hectares.
Roads – manmade surfaced (examples include tracks and paths)	No	
Roads – natural unsurfaced (examples include tracks, paths and bridleways)	Yes	
Salt marshes and reed beds	Sometimes	To be eligible as permanent grassland, land needs to be managed so that it is in a state suitable for grazing.
Scree/rock outcrops/ boulders	No	
Scrub – including gorse bushes and briar	Sometimes	To be eligible as permanent grassland, land needs to be managed so that it is in a state suitable for grazing.
Solar panels	No	The whole land parcel is ineligible. See page 2 of our October update for details.
Stone banks	Sometimes	Stone banks protected under cross compliance are eligible for BPS.
Stone walls	Sometimes	Stone walls protected under cross compliance are eligible for BPS.
Strawberries grown on table tops	Sometimes	As long as the land is eligible (for example, not concrete or hard standing), the area growing strawberries, including normal headlands, should be counted as arable land growing a 'crop' of strawberries for the purpose of calculating the crop diversification and EFA requirements.
Turf production (fuel)	No	
Turf production (for replanting for grass)	Yes	
Walkway grass strip between fenced paddock	Sometimes	Must be: <ul style="list-style-type: none"> larger than 0.1 hectares grazeable
Zoos	No	

Basic Payment Scheme: What land is eligible



The information in the table on the previous pages applies to BPS only. We will provide information about eligibility for rural development schemes, including Countryside Stewardship, in the full scheme guidance.

There may be other limits on what farmers can do with the land, for example, there may be planning restrictions.

Permanent grassland

In our August leaflet, on page 14, we said:

Permanent grassland is land that has been used to grow grasses or other herbaceous forage (that has not been included in the crop rotation of the holding) for 5 years or more. It can be self-seeded or sown.

If the land has been re-sown with grass or other herbaceous forage during the past 5 years, it is still permanent grassland.

If land has been entered as grass or herbaceous forage on 6 consecutive SPS/BPS applications, it must be recorded as permanent grassland on the sixth application. This is compulsory, unless it's been used to grow a catch crop in the time between applications – in which case it will be classed as temporary grassland. The new online applications service will show whole land parcels that have been declared as temporary grass on 6 or more SPS/BPS applications as permanent grassland.

Heather, salt marsh and bracken can sometimes be considered permanent grassland. See the table on page 15 for details.



CAP Reform | Introducing Countryside Stewardship

The new environmental land management scheme is called 'Countryside Stewardship'. It is part of the 2014 to 2020 Rural Development Programme for England.

Countryside Stewardship will contribute around £900 million to rural businesses to help them improve the countryside environment. It will be open to all eligible farmers, land managers, land owners and tenants. It will replace:

- Environmental Stewardship (ES)
- the English Woodland Grant Scheme (EWGS)
- capital grants from the Catchment Sensitive Farming (CSF) programme

We currently plan that farmers and land managers can start applying for Countryside Stewardship from July 2015. Agreements and payments will begin in 2016.

We're planning to make water capital grants and woodland capital grants available at the start of 2015 – read page 25 for more information about these.

The scheme will be delivered by Natural England, the Forestry Commission and the Rural Payments Agency.

The European Commission has yet to approve the Rural Development Programme. If any of the information in this leaflet changes, we will let you know.

What the scheme will achieve

The main priority for Countryside Stewardship is biodiversity. Water quality is another important priority. The scheme will also help to improve:

- flood management
- the historic environment
- landscape character
- genetic conservation
- educational access
- climate change adaptation and mitigation

It will be more targeted and focused than previous schemes. Both Higher and Mid Tier agreements (read page 20) will use the same 'targeted' approach as current Higher Level Stewardship agreements. This will encourage applicants to enter into agreements which deliver the right environmental management in the correct combinations and in the right places. It will also make sure Countryside Stewardship is good value for taxpayers' money.

Together with ongoing ES and EWGS agreements, Countryside Stewardship will be the main way of helping farmers and land managers deliver against a wide range of local, national and international environmental commitments.

Countryside Stewardship: Introducing Countryside Stewardship

The new scheme will help:

- Wildlife and nature: by restoring habitats, protecting hedges, providing food and nesting resources for birds, insects and other animals, and creating farmed areas for rare flowering plants.
- Pollinators: by providing pollen and nectar sources and nesting places. Farmers will be able to provide the right resources for pollinators where they are most needed.
- Forestry: by funding the planting of new trees and supporting the management of woodlands.
- Water/flooding – making water cleaner and reducing risk of flooding by supporting changes to farming practice (such as crop management), improving farm infrastructure and creating woodland.

Where possible, the scheme will offer the best opportunities to achieve benefits for biodiversity, water quality and flood management together.

Current Environmental Stewardship and English Woodland Grant Scheme agreements

If you already have an ES agreement which runs into 2015 or beyond, this will carry on until it ends. This is similar for EWGS agreements, though these might have to change when the new regulations come into force. If you are affected by this, the Forestry Commission will contact you in January 2015.

Land transfers and amendments under Environmental Stewardship in 2015 will follow a similar process to that in 2014. We are working on the detailed arrangements and will publish more information as soon as we can.



CAP Reform | Countryside Stewardship: Countdown | How it works

Countryside Stewardship will have 3 main elements – Higher Tier, Mid Tier and a range of capital grants. Applications will be online.

Countryside Stewardship will be available to all eligible farmers, land managers, land owners and tenants in England. The scheme guidance will explain who is eligible to apply, and this will be published on GOV.UK in January 2015.

We currently plan that applications for Higher Tier and Mid Tier agreements (see below to find out what these are) can start in July 2015 and must be submitted by September 2015. These agreements would start on 1 January 2016 and payments would also begin in 2016. We also currently plan that some capital grants for water and woodland will be available in 2015.

Countryside Stewardship will have 3 main elements:

- Higher Tier (similar to the current Higher Level Stewardship)
- Mid Tier (which will replace Entry Level Stewardship)
- a lower tier of capital grants, including the Hedgerows and Boundaries Capital Grants (read page 29)

These give access to funding and/or capital grants for an agreed range of environmental management actions ('options').

We have also published the proposed payment rates for land management options and capital items under new Countryside Stewardship on GOV.UK. Search for 'Countryside Stewardship: Proposed payment rates (including capital items)'.

The new scheme is voluntary and all applications will be processed through the new online service we are building.

You will need to apply for Countryside Stewardship schemes online. Read page 29 for more information about how to apply.

Agreements

Most applications will be scored to check whether an agreement can be offered.

Successful applicants will get an agreement that will include:

- what they have agreed to do (management options)
- the payment rate
- the duration
- terms and conditions

Most multi-year agreements will be for 5 years. Longer agreements may be available in some exceptional circumstances. The table on the next page shows some examples.

Countryside Stewardship: Introducing Countryside Stewardship

Agreements that last more than 5 years

What the agreement is for	Examples	Reason why they are longer than 5 years
Water/wetland habitats	Coastal re-alignment, wetlands, salt marsh creation, peat restoration, blanket bog	These require complex changes in water flow and retention, which have long-term impacts on the environmental conditions and land use.
Complex tenure arrangements	Upland and lowland commons	The negotiation process amongst the interested parties is often complex, contentious and time-consuming but secures significant environmental outcomes in areas of high environmental importance.
Woodland creation		Maintenance support will be for 10 years to ensure the establishment of the trees planted.

The Higher Tier

The Higher Tier is for the most environmentally important sites and woodlands. These will usually be in places that need complex management (such as habitat restoration, woodland creation or tailored measures for priority species).

Applicants can use the full range of options and a wide range of the capital grants that the scheme offers. They can get one-to-one advice and support from Natural England and Forestry Commission advisers.

The application process will be similar to the current Higher Level Stewardship (HLS) scheme. Applicants will need to contact Natural England or the Forestry Commission before they can apply for the Higher Tier. More information about how to apply will be published soon.

The Mid Tier

The Mid Tier aims to address widespread environmental issues, such as reducing diffuse water pollution or improving the farmed environment for farmland birds and pollinators. Not all options will be available in this tier.

Scheme targeting and scoring will encourage applicants to choose options that help achieve the environmental priorities that are important in their wider area. This means that environmental benefits will not just be on individual holdings but more widespread.



CAP Reform | Countryside Stewardship: How to choose land management options

The new 'national targeting framework' will show applicants what the priorities are for Countryside Stewardship in their local area.

Countryside Stewardship is open to all, but we want to reward land management that gets the best results for the environment. To do this, we've set up a new 'national targeting framework'. This framework provides a picture of Countryside Stewardship priorities across England.

In the new online service, applicants will be able to:

- see what the priorities for Countryside Stewardship are on their land
- choose which land management options to use (there are more than 100 to choose from)

This means applicants can tailor their application to bring the most benefit to their local area. This will make it more likely that their application will succeed and that they will be given an agreement.

How we will score applications

Applications should reflect Countryside Stewardship priorities and show that they provide value for money. Most applications for Countryside Stewardship will be assessed and scored (the exceptions are applications for capital grants for woodland management plans and capital grants for tree health issues).

To score applications, we will use:

- the priorities highlighted in the national targeting framework
- the land management options applicants have chosen on land parcels

The detail of the scoring system is still being developed. We'll publish more information about this and about the national framework in our next update.





CAP Reform | Countryside Stewardship: The Wild Pollinator and Farm Wildlife Package

This brings together the management options which (when done in the right combination at the right scale) provide the best outcomes for wild pollinators, farmland birds and other farm wildlife.

The Wild Pollinator and Farm Wildlife Package is a specific group of management options that benefits wild pollinators, farmland birds and other farm wildlife. Together, these will provide essential resources (like food, shelter and nesting sites) for wild pollinators and farm wildlife throughout the year, for example by sowing nectar flower mixes, managing hedgerows and other farm habitats (like ponds).

The government's National Pollinator Strategy

The Wild Pollinator and Farm Wildlife Package supports the national pollinator strategy (2014). This recognises that bees and other pollinators face a variety of pressures, and some are in decline or threatened. The evidence shows that this is partly caused by loss of good-quality habitats that feed and shelter them. One of the strategy's aims therefore is to expand food, shelter and nest sites across the country.

Farmers and land managers have an important role to play in this. Making simple changes to farming practice will help give pollinators access to food and shelter. Choosing land management options from the Wild Pollinator and Farm Wildlife Package will support this.

Major landowners and managers also have an important role and many of the larger ones (including the National Trust and the Defence Estates) have already committed to specific actions to help pollinators on their land.

Information about action farmers and land managers can take to help pollinators is on the Campaign for the Farmed Environment website:
www.cfeonline.org.uk/campaign-themes/pollinators.

Information is also available on the Bees' Needs website:
www.wildlifetrusts.org/Bees-needs.

The National Pollinator Strategy is available on GOV.UK – just search for 'national pollinator strategy'.

What this means for applicants

The package will be available for farmed areas in lowland England. It's voluntary, but choosing options from this package means your application will score more highly.

Under the Mid Tier:

- applicants can choose from groups of options for different farmland types – arable, mixed or pastoral
- typically the options should be applied over 3 to 5% of the land eligible for the scheme

Under the Higher Tier:

- applicants can choose from similar groups of options
- typically the options cover 5 to 10% of eligible land to target a broader range of farmland species and habitats

- applications will include those areas of land which have received funding before for the management of farm wildlife (for example, where a Higher Level Stewardship agreement is expiring) or in areas where there are priority farmland species.

The management options in the package

The Wild Pollinator and Farm Wildlife Package is made up of the management options shown below.

Evidence from Environmental Stewardship suggests that applying a combination of these options over 3 to 5% of eligible land will bring meaningful changes and benefits.

Pollen/nectar resources for pollinators and chick-food for birds – options

- Management of hedgerows (one/both sides of the hedge)
- Flower-rich margins and plots
- Autumn sown Bumblebird mix (food source for birds and bees)
- Two-year sown legume fallow (flowering crops on fallow land)
- Legume and herb-rich swards
- Nectar flower mix

Nesting sites for birds and pollinators – options

- Flower-rich margins and plots
- Beetle banks (strips within a field that provide a hibernating site for bees and encourage beetles and provide a food source for birds)
- Cultivated areas for rare arable plants
- Permanent grassland with very low inputs (for example, reduced pesticide/herbicide)
- Take field corners out of management on grassland (in order to provide habitat for nesting sites and shelter)
- Small, medium and large wildlife boxes (only available in the Higher Tier)
- Management of ponds

Winter food for seed-eating birds – options

- Winter bird food
- Ryegrass seed-set as winter/spring food for birds
- Basic overwinter stubble
- Enhanced overwinter stubble
- Brassica fodder crops
- Whole crop cereals

Countryside Stewardship: The Wild Pollinator and Farm Wildlife Package

How these options will be scored

Farmers and land managers who apply for the Wild Pollinator and Farm Wildlife Package options in the Mid Tier will score more highly in their Countryside Stewardship application.

Anyone claiming the Basic Payment Scheme can also choose to use these options on their Ecological Focus Area (EFA) land. This would help EFAs benefit pollinators. However, in certain cases payments for some options might have to be reduced, to avoid 'double funding'. See page 31 for more about double funding.

More information

We'll publish more details about the Wild Pollinator and Farm Wildlife Package on GOV.UK, alongside other Countryside Stewardship information.



CAP Reform | Countryside Stewardship: Countdown | Capital grants

As well as multi-year agreements, Countryside Stewardship will provide a range of capital grants to support farming and forestry that benefit the environment.

These are separate to the capital grants offered through the Higher Tier or Mid Tier. The grants are for:

- hedges and boundaries
- tree health issues
- woodland management plans
- woodland creation establishment (with associated multi-year agreement for maintenance where applicable)
- feasibility studies
- implementation plans

There will also be targeted grants, with associated advice, for water quality improvements.

The Hedgerows and Boundaries Capital Grant offers funding up to a maximum of £5,000 per applicant for farmers and land managers who don't have a Higher or Mid Tier agreement or a current ES agreement. These grants will mainly be for small-scale restoration of boundary features, like hedgerows and stone walls. Major restoration projects would be funded under the Higher Tier.

The payment rates for capital grants have been published alongside this leaflet on GOV.UK at www.gov.uk/cap-reform.

Water quality capital grants in 2016 and later

Water quality capital grants for infrastructure work will be available as:

- part of Mid Tier and Higher Tier agreements, or
- standalone capital agreements

All applications will be assessed and scored against local priorities and those that score highest will be more likely to be accepted (read page 21). Applications will be online, in the same way as for Higher and Mid Tier applications.

Farmers and land managers applying for these grants should speak to a Catchment Sensitive Farming (CSF) adviser to get advice about choosing options and carrying out any infrastructure work. Otherwise, they may not be eligible to choose some water quality options.

For standalone capital agreements, different terms and conditions will apply and the agreement will last for one year only.

Under Countryside Stewardship, Farmers and land managers cannot have both a standalone capital grant and a Higher or Mid Tier agreement at the same time.

Farmers with a water quality capital grant in 2015 (see page 26) must make sure that their Countryside Stewardship application for 2016 is for different works.

Countryside Stewardship: Capital grants

Grants for works in 2015

Because Countryside Stewardship payments won't begin until 2016, we currently plan to make money available in 2015.

We'll publish more information about these grants in early 2015.



Applications for 2015 capital grants for water and woodland will not be made online. Application forms will be available to download from GOV.UK in the new year.

	What's the grant for?	Dates for applications, agreements and work	More information
Water capital grants	Capital grants of up to £10,000 per holding, for infrastructure works which will help reduce water pollution from agriculture.	Applications can be made from 2 March to 30 April 2015. Work must be completed and claimed by 29 January 2016.	These grants will be only be available in Catchment Sensitive Farming (CSF) target areas. Land managers can get help from CSF advisers to submit their applications and with infrastructure work. Farmers with existing Environmental Stewardship agreements can also apply for these grants.
Woodland creation grants	Planting, protecting and (where applicable) maintaining woodland for 10 years.	Apply from 1 February to end May 2015.	Applications will be scored and selected competitively. They must be for at least 3 hectares. Each planting block needs to be at least 0.5 hectares. The exception to this is where the woodland creation is part of work to address water quality or flood risk issues. In these cases, applications will need to be for at least 1 hectare, with each planting block at least 0.1 hectares.

	What's the grant for?	Dates for applications, agreements and work	More information
Woodland management plans	Preparing plans to bring more woodland into management.	Apply from February 2015. Agreements issued as and when applications are approved.	You will need an approved woodland management plan to be eligible for Countryside Stewardship support for woodland improvement.
Woodland tree health	Tree health – improving and restoring woodlands	Apply from February 2015. Agreements issued as and when applications are approved.	n/a



CAP Reform Countdown | Countryside Stewardship: Facilitation funding

We will offer 'facilitation funding' to people or businesses who help farmers, foresters and others to work together to deliver Countryside Stewardship priorities on a large scale across landscapes.

Facilitation funding

Facilitation funding will go to people and organisations that:

- can help others to work cooperatively
- have experience of environmental land management

The area of land involved must:

- cover at least 2,000 hectares, unless there is an obvious smaller environmental boundary, and
- be spread across at least 4 adjoining (or mainly adjoining) holdings.

Applicants must show they have the backing of the land managers on all these farms

When to apply

We currently plan that applications for facilitation funding can be made from early 2015. We will publish more details about the eligibility and selection criteria (as well as information about what successful applicants will be expected to do) early next year.

Applications will be assessed by a panel of representatives from Natural England, the Forestry Commission and the Environment Agency.





CAP Reform | Countryside Stewardship: Countdown How and when to apply

Applications for Countryside Stewardship must be made online – those who have applied for schemes in the past will be invited to register on the new online service we are building.

In 2015 we will ask people who we think are likely to apply for Countryside Stewardship to register and start using the new online service (if they haven't already used it to claim the Basic Payment Scheme – you only need to register once – read page 5).

When to apply for Countryside Stewardship in 2015

On pages 26 and 27 we have provided some details of application and claim dates for funding in 2015. In our next update we'll tell you more about when claimants can start applying in 2015.

When to apply for Countryside Stewardship from 2016 onwards

All these dates are to be confirmed.

The multi-year application process

Countryside Stewardship elements:

- Higher Tier
- Mid Tier
- Woodland multi-year (improvement and creation maintenance)
- Woodland capital (improvement and infrastructure)
- Water only capital grants (see below)

Please note: you don't need to apply separately for the multi-year maintenance element of woodland creation. That will automatically be available to eligible applicants who are awarded a grant for woodland creation (see process below).

Dates:

- **January to June:** prepare your application
- **July to September:** apply online
- **October:** appraisal
- **November to December:** offers to applicants
- **1 January:** start date for multi-year agreements

The capital grants process (linked to the multi-year process)

Countryside Stewardship elements:

- Woodland capital (improvement and infrastructure)
- Water capital grants

Dates:

- **July to September:** apply online
- **October:** appraisal

Countryside Stewardship: How and when to apply

- **November to December:** offers to applicants
- **1 January:** agreement start date

Farmers and land managers should use the multi-year application route to apply for water capital grants, since this will be a competitive process with all applications being scored against available budget. However, different terms and conditions will apply for standalone water capital grants and the agreement will last for one year only.

Other capital grants process

Countryside Stewardship elements:

- Hedgerows and Boundaries capital grant
- Woodland creation establishment capital grant (dates to be confirmed)

Dates:

- **February to April:** apply online
- **May:** appraisal
- **June onwards:** agreements issued

Rolling window process

Countryside Stewardship elements:

- Feasibility and implementation plans
- Woodland management plans
- Woodland improvement tree health

Dates:

- **Apply at any time of the year.**



CAP Reform | Countryside Stewardship and greening: double funding

EU rules state that someone must not be paid for the same thing twice on the same piece of land (known as 'double funding').

Nineteen Countryside Stewardship options count as double funding if they are also used to meet Ecological Focus Area (EFA) requirements for the Basic Payment Scheme (BPS). These options are shown in the table below.

Option code	Option title	Payment Rate £/ha *£/plot	Double-funding element	Reduced payment rate
WD3	Woodland edges on arable land	323	306	17
HS2	Take historic and archaeological features out of cultivation	425	334	91
SW1	4 to 6 metre buffer strip on cultivated land	353	274	79
WT2	Buffering in-field ponds and ditches on arable land	501	428	73
AB11	Cultivated areas for arable plants	532	367	165
AB5	Nesting plots for lapwing and stone curlew	524	428	96
AB9	Winter bird food	640**	404	271
AB6	Enhanced overwinter stubble	436	428	8
AB1	Nectar flower mix	511	404	107
AB3	Beetle banks	573	428	145
AB4	Skylark plots	9*	5*	4*
SW7	Winter cover crops	114	114	0
SW3	In-field grass strips	557	463	94
SW4	12 to 24 metre watercourse buffer strips on cultivated land	512	416	96
SW12	Making space for water	640**	440	206
AB8	Flower rich margins and plots	539	330	209
AB16	Autumn sown Bumblebird mix	550	404	146
AB15	Two year sown legume fallow.	522	378	144
OP2	Organic wild bird seed mixture	640**	398	375

(**Corrected from previous version of this table, which was published on GOV.UK in November).



Countryside Stewardship and greening: double funding

We will apply the double funding reduction where it takes place on the ground. That means that in any one year, wherever any of these options overlaps with an EFA feature, the Countryside Stewardship payment rate will be reduced (but the BPS payment won't be).

We will not be applying a 'universal' reduction like we did under Environmental Stewardship.

More information will be published in our next update.



CAP Reform | Rural Development Programme: Countdown support for rural businesses

Farmers and rural businesses can get money, training and opportunities to become more competitive.

In our April leaflet, we published information about what money will be available to help improve the environment, support businesses or promote growth in local economies. We now have more information about two of these areas:

- growing the rural economy
- the Countryside Productivity scheme

Growing the rural economy

£177 million from the Rural Development Programme will go to people and businesses to help them do things which support their local rural economy. 'Local Enterprise Partnerships', (LEPs) will set priorities for local funding through their Local European Structural and Investment Fund (ESIF) Committees.

Contact your local LEP for funding priorities in your area. Find your local LEP at www.lepnetwork.net/leps.

Once local funding opportunities are announced in early 2015, people will be able to apply for funding through the RPA. Money will be available for:

- small and micro businesses to:
 - buy equipment or develop new products that help create jobs
 - help new businesses with start-up costs.
- medium-sized businesses that process agricultural products
- employee training in rural businesses
- infrastructure technology projects:
 - to provide broadband coverage in hard-to-reach areas, for example by using alternative technologies such as mobile and satellite broadband
 - to support rural renewables projects, for example power generation and local heat distribution networks.
- promoting rural tourism, through grants for individual businesses and collaborative projects

Countryside Productivity scheme

Under this new scheme, around £141m will be invested into the English countryside from 2015 to 2020. We want to encourage farmers, foresters and other land managers to increase their productivity and competitiveness, by giving them opportunities to share their knowledge and take up innovative technologies.

In early 2015, we plan to make money and advice available for:

- investing in innovative equipment, such as for:
 - improving animal health and welfare
 - managing of resources including water, pesticides and fertiliser
 - improving woodfuel and forestry supply chains.

Rural Development Programme: support for rural businesses

Later in 2015 we intend that money and advice will be available for:

- new-entrant young farmers and new farm-related businesses
- groups of farmers, foresters, researchers and other businesses to test new ideas and apply research through a new European Innovation Partnership process (we'll provide more information about how to form these groups in early 2015)
- 'demonstration farms' that showcase the latest farming innovations and technologies
- developing skills through events training, workshops and other forms of learning
- joint project working between large numbers of farm or forestry businesses who want to combine training, advice, investment and exchange of knowledge



CAP Reform | More Information Countdown

Read everything we have published so far at www.gov.uk/cap-reform – this web page is dedicated to CAP reform. It's got all the latest news, as well as all the leaflets and publications we've released up to now:

- 'The guide to cross compliance in England 2015'
- 'The new Common Agricultural Policy schemes in England: October 2014 update'
- 'The new Common Agricultural Policy Schemes in England: August 2014 update'
- 'CAP Reform: How we will manage double funding (greening and Environmental Stewardship)'. This document provides guidance on how we plan to deal with the risk of double funding between greening under CAP Reform and Environmental Stewardship agreements.
- 'An Introduction to the new Common Agricultural Policy schemes in England' – this leaflet was published in April 2014

Full BPS scheme guidance will be published in 2015.

Information about Countryside Stewardship will be published on GOV.UK from January 2015 – you will be able find it by searching for 'Countryside Stewardship'. For more information call 03000 200 301 and select the option for Natural England.

Regulations

The main European regulations governing the Basic Payment Scheme and greening are EU Regulation No. 1307/2013 and EU Regulation No. 1306/2013.

The main European regulation governing Countryside Stewardship is Council Regulation 1305/2013.

Campaign for the Farmed Environment

The Campaign for the Farmed Environment provides information on how to protect and enhance the environmental value of your farmland. Visit their website for more information: www.cfeonline.org.uk.

The Farming Advice Service

The Farming Advice Service (FAS) is funded by Defra to provide free, confidential advice to farmers and farming industry advisers to help them understand and meet requirements for cross compliance, Basic Payment Scheme (BPS) 'greening' rules and, from 01 January 2015, water protection and the sustainable use of pesticides.

For more information call 0345 345 1302 or email advice@farmingadvice.org.uk.

The Farming Advice Service also organises events. To see if there are events planned near you, visit www.farmingadvice.org.uk/events.

"Searching for business support is more fruitful now everything is in one place"

Helen Thomas,
Managing Director of H Weston & Sons Ltd



There is now a single, online location for businesses seeking support and advice – from finance to innovation. To discover how Westons is using this to make their business blossom and how you can too, visit greatbusiness.gov.uk



Disclaimer/legal notice

This leaflet is our interpretation of the current regulations for the Common Agricultural Policy schemes from 2015. Only the courts can give a definitive interpretation of the law.

You may want to get independent professional or legal advice before you change anything about your business. We cannot advise you or your legal representatives on your business structure.

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