

Stewardship agreements can bring a wide variety of benefits

In the first of three articles, land agent and surveyor expert **Hugh Townsend** provides an overview of the Countryside Stewardship scheme



► Countryside Stewardship (CS) is administered by the Rural Payments Agency (RPA) and provides funding for farmers, woodland owners, foresters and land managers to make environmental improvements
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THE application window for 2021 Countryside Stewardship (CS) scheme agreements opened on February 11.

In her speech to the Oxford Farming Conference on January 8, Environment Secretary Theresa Villiers guaranteed that anyone accepting a 2021 agreement will be able to exit without penalty if they move into the new Environmental Land Management (ELM) scheme once it is available.

Defra's (Department for Environment, Food and Rural Affairs) notes on the Agriculture Bill make clear that they intend for CS to remain open to applications for at least the first few years of the transition period.

While an ELM pilot is set to start in 2021, it will still be some time before the new scheme is ready for all applicants. A CS agreement could help bridge any gap in funding during the transition period for those farmers not invited to participate in the ELM pilot.

Countryside Stewardship is an agri-environmental scheme which allows farmers and land managers to sign up for agreements to receive money in exchange for managing and investing in their land in a way

which promotes environmental benefits. It is a varied scheme which covers a wide variety of different activities, and can be tailored to many different types of farm in many different areas of the country, depending on the targets in each region. However the variety of schemes available can also be bewildering, so it is important for potential applicants to know the basics of the scheme.

How does Countryside Stewardship work?

Broadly, Countryside Stewardship agreements offer applicants a selection of land management 'options' with each option having a corresponding annual payment per ha or m, or a capital grant payment. Some of the agreements are competitive and some non-competitive.

Common examples of options that can be selected include minimising inputs on permanent grassland (option GS2); limiting the cutting of hedges and ensuring they are properly gapped up (option BE3); or establishing a crop designed specifically to provide feeding for target bird species in winter months and leaving it in the ground for a set period of time (option AB9).

By contrast, AB9 winter bird food requires not only time and money to establish a crop, but also prevents production of a saleable product from the land which is managed in this way, so payment is relatively

high at £640/ha. Across the different tiers of Countryside Stewardship, there are a total of 107 different options to choose from although some, such as CT7 (inter tidal or saline habitat creation on intensive grassland) will only apply to land managers in very specific locations or with very specific objectives for their holdings.

Options are paid annually by the amount of each option that is managed. 'Amount' here generally refers to area in ha, but sometimes length in metres is used instead, most notably for BE3 hedgerow management and WT3 ditch management.

Each option has its own payment value, with the general principle being that options which are more expensive to implement receive a higher payment to offset that cost. For example, GS2 grassland theoretically only requires a reduction in inputs while still permitting the grassland to be used for production, so the payment is relatively low at £95/ha.

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A further distinction can be drawn between 'parcel-based' options, which must be claimed in the same location every year, such as GS2 grassland and SW1 buffer strip management, and 'rotational options' which can change their location from year to year, such as AB9 winter bird food or AB2 basic overwinter stubble.

As well as land management options, CSS also allows grant applications for what are known as 'capital items'.

The distinction here is that, while the multi-year 'options' are ongoing annual payments over a number of years (agreements usually last five years, and occasionally 10) and are claimed during a specific claim period each year, a capital payment is made only once and can be claimed at any time of year.

This is because a capital payment is made for a specific piece of work, such as re-concreting a yard to minimise runoff of hazardous liquids (RP15), or putting up stock fencing to protect an environmental feature (FG2), rather than an ongoing land management issue.

Finally, we must distinguish between the different types of Countryside Stewardship scheme. There

are four main elements to the CSS, being Mid Tier, Wildlife Offers, Higher Tier and Capital Grants. Capital grants are the most basic form of CS scheme, which can only ever consist of a selection of capital payments up to a combined value of £10,000.

The Mid Tier is the most common form of scheme in which applicants choose from a limited, but still wide, selection of options which, if successful, can be managed with limited direct oversight from the Rural Payments Agency (RPA). A subset of Mid Tier schemes are the Wildlife Offers, which further limit the availability of options in exchange for a simpler, non-competitive, application process, but are managed in the same way as mid-tier once they are in place.

Finally, there is Higher Tier which includes the full range of options, including the most specialised, so can be more financially lucrative. Higher Tier agreements will involve the attention of a Natural England area team officer who will help to tailor the appropriate range of options and will visit the holding regularly to advise on management, and monitor the situation.

The Higher Tier schemes are generally most relevant to specialist organisations with a primarily envi-

ronmental focus such as wildlife charities, or to land managers of especially valuable habitats such as Sites of Special Scientific Interest (SSSI) or designated historic sites who require financial assistance to protect, preserve and improve the land under their management.

Countryside Stewardship also includes a selection of woodland-focused grants. The Woodland Management Plan grant covers only the expenses for creating a management plan for an existing woodland, but does not cover the expenses relating to its implementation. This is useful because having a plan in place allows the forestry commission to issue a licence for up to ten years of felling, so helping an income to be derived from the woodland.

There is also the Woodland Creation grant, which aims to cover the initial outlay for planting woodland, with capital payments for the actual planting of the trees and necessary protection for the new plantation such as deer fencing and tree guards. Once the woodland is in place, the claimant may then be invited to apply for a Woodland Maintenance grant under the higher tier scheme, which will pay at £200/ha of woodland for a minimum of ten years. This grant is only available to previ-

ous Woodland Creation claimants.

Finally, if your woodland is affected by disease, you may be able to claim a Tree Health Grant for restocking or felling affected trees.

Therefore, we can see that CS payments can benefit land managers of a variety of different types of land with a variety of different outcomes in mind. However, as discussed, the administrative process behind applying for the agreements and receiving the annual payments can be as complex as the CS itself is varied, and it is always recommended that you use an agent to ensure you receive the best advice for your situation.

See next week for advice on claiming and applications, and the week after on penalties and inspections. The window for making expressions of interest for agreements to start in 2021 is due to open this month.

The application window closes on July 31, 2020 for agreements starting on January 1, 2021. We provide free financial assessments of the options, potential capital works and professional charges.

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