

Developing the New Environmental Land Management Scheme

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What this presentation will cover



- CAP Overview and Scheme Background
- NELMS Design
- Targeting and prioritisation
- Advice and Guidance
- Catchment Sensitive Farming



The CAP Reform Countdown



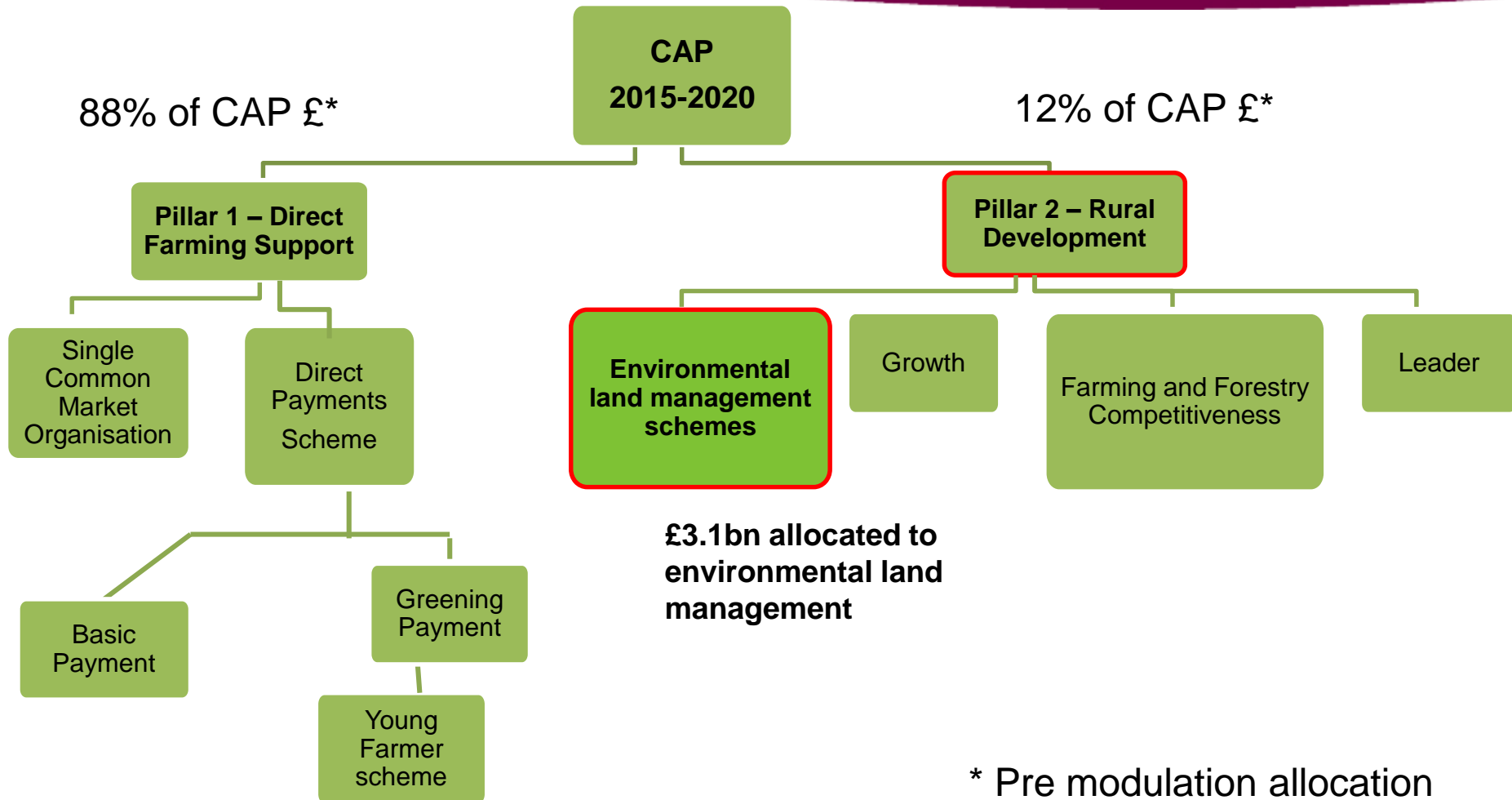
- Look out for the publication of CAP Reform 'Factsheets' over the coming months on www.gov.uk/cap-reform
- Information and guidance across the CAP schemes:
 - what you need to know and do
 - how the new CAP will affect you
 - where to go for more information
- A timeline to help you plan – key dates for the schemes, policy and system





CAP Overview and scheme background

The shape of the new Common Agriculture Policy in England 2015-20



* Pre modulation allocation

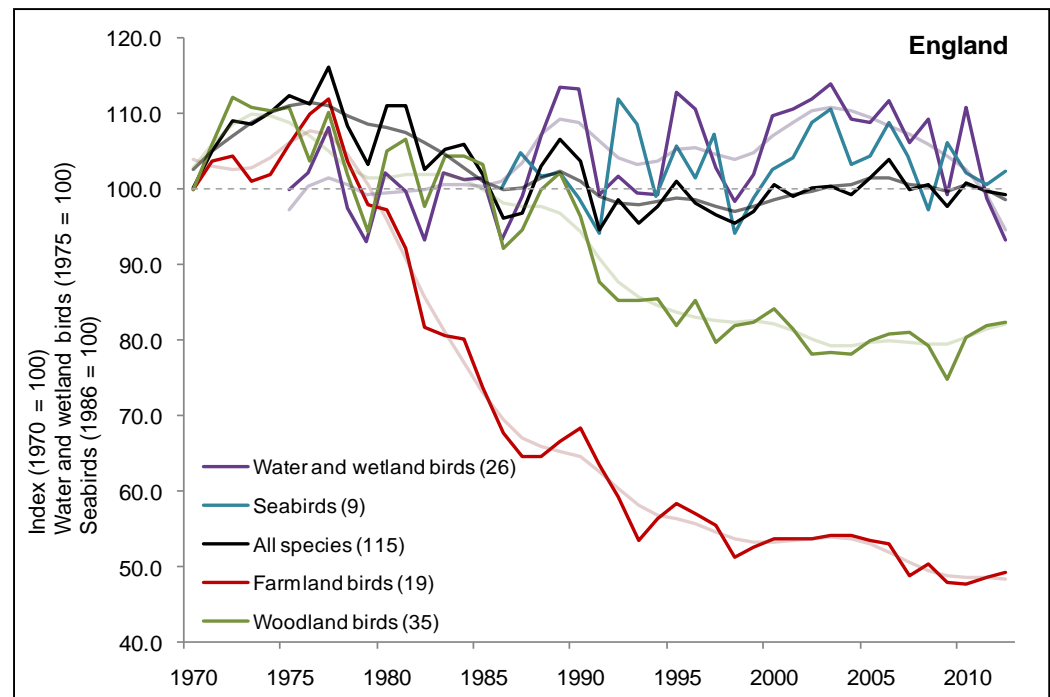
Environmental land management is the main focus of the next Rural Development Programme (RDP) in England:

- Allocated **87%** of RDP funding
- Worth **£3.1 bn** over the programme period
- Of which **£2.2 bn (71%)** accounted for by existing scheme commitments (primarily ES and EWGS)
- So NELMS has **c£900m** for new agreements over the programme period

optimising delivery from existing commitments will be as vital as making NELMS a success.

Why do we need NELMS?

- Evidence of continuing wildlife and environment declines: UK National Ecosystem Assessment. Natural 'life support systems' at risk.
- Farmland bird indicator still in decline
- Habitats more fragmented = more vulnerable
- Agri is major source of water and air pollution
- Woodland at risk from fragmentation, pests and disease
- *Short-term thinking fails to account for long-term sustainability*



Over 25 years of agri-environment schemes:

- **Effective** combination of advice and incentive
- Effective **targeting** can reverse species declines
- Can deliver **multiple benefits** from one investment
- **Popular:** just under 70% of agricultural land in 2014

Proven benefits:

- national scale, positive effects on bird populations
- large national population increases in several rare bird species
- 96% of Sites of Special Scientific Interest (SSSI) are now in favourable or recovering condition.
- Successful at helping farmers reduce diffuse pollution
- Enhances landscape character, quality and history

Essential to achieve international commitments



- **England Biodiversity Strategy to 2020** (consistent with EU Birds and Habitats Directive)
- **The Water Framework Directive and flood risk management**
- **Government Forestry and Woodland Policy**
- **The European Landscape Convention**
- **Climate Change: National Adaptation Programme (NAP)**
- Follow the steer provided by the **Natural Environment White Paper** and **Water White Papers**.

*Priorities for action set out in the **RDP Programme Document***

NELMS is a mechanism to enable....



“a contract for managing land more sustainably”

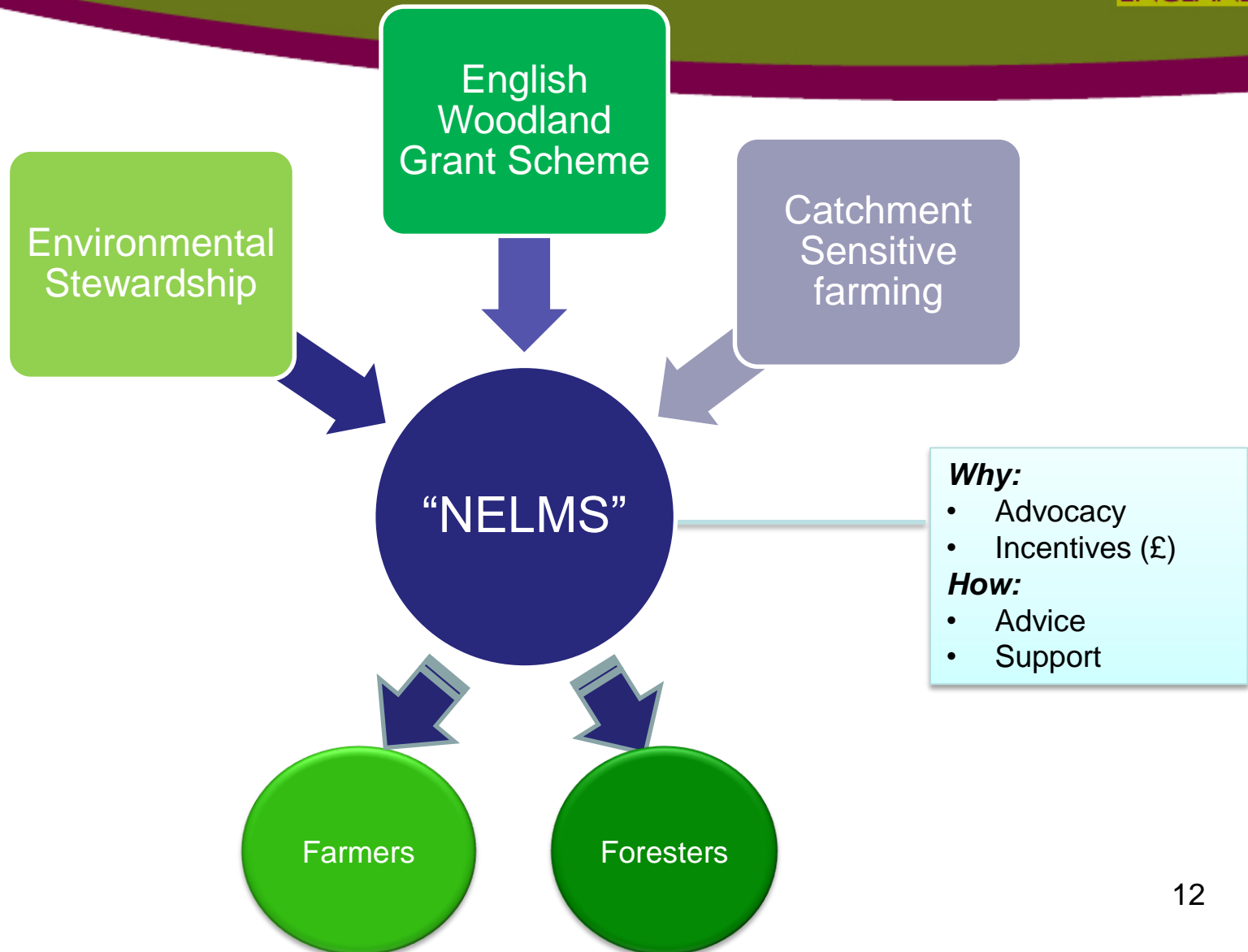
- **RDP Programme Document** sets the agenda based on environmental evidence and market failure
- NELMS provides land managers with incentives that markets do not (eg financial and advice)
- In return the environment is protected and the supply of public environmental goods and services is secured:

“public money for public goods”



NELMS Design

Integrating Previous Schemes into One



NELMS deliver multiple environmental outcomes (but can take a single focus where most effective)



Biodiversity



Soil and water
quality



Landscape



Flood Risk
Mitigation



On farm
education



Genetic
Conservation



Carbon Storage
Climate Change



Historic
Environment

Secure public benefits and more sustainable land management

Multi-objective but:

- **biodiversity is the main priority** (75% of spend)
- **water quality and flood risk** (20%)
- seek both from same area where possible (25%)

Biodiversity 2020: Focus on:

1.Priority Habitat – both designated and non-designated sites

2.Priority Species – mainly met through the appropriate management of priority habitats though some species will be targeted specifically.

•Additionally, a wider countryside Farm Wildlife Package will be developed to benefit pollinators and farmland birds in particular.

Woodland Policy Priorities



- **Protect:** plant health, resilience, damage by deer and grey squirrels
- **Improve:** species and habitats
- **Expand:** woodland creation



NELMS is a scheme which....



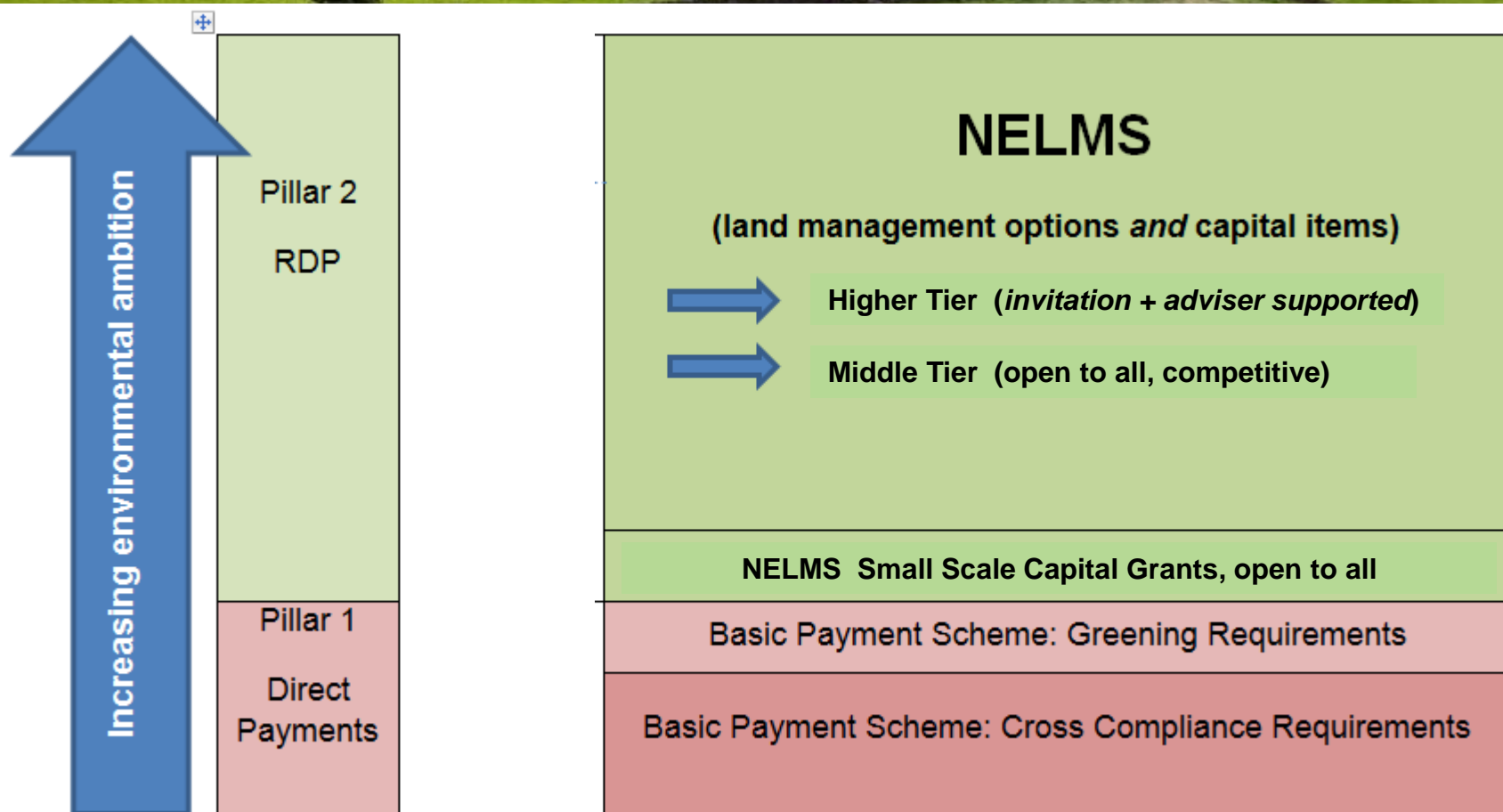
- Combines **incentives with advice**
- Open across England, but **targeted**
- **Competitive** and **invitation** approaches
- Variable agreement duration:
 - **multi-annual** (default 5 years, longer in special situations)
 - **annual**
- **Annual application cycles**
- Can enable **management changes** from simple to complex
- Specialist **technical advice** only where it's most needed
- National targeting framework / **local delivery strategy**
- **Online** applications and scheme literature
- **“Assisted Digital”** for those unable to get online

The main elements of NELMS



Higher Tier	Middle Tier
<ul style="list-style-type: none">• Targeted to specific sites• Invitation (Delivery body develops an invitation list/pipeline for each annual application window)• Online guidance plus access to 1-2-1 technical support• Access to more complex management options e.g. habitat creation• Ability to tailor prescriptions to site	<ul style="list-style-type: none">• Area focus to targeting• Open to all, competitive• Appraisal system to decide entry for each annual application window• Online guidance• Support via land manager's existing network of 'trusted advisers'• Fixed option prescriptions
Small Scale Capital Grants	Limited range of boundary management and planning grants. Open to all , untargeted, unsupported

NELMS in CAP Context



Application timing:

- Single, annual application window (2015: July-Sept)
- Single annual agreement start date – January 1st each year

Payment:

- Basis remains “income foregone” and actual costs (costs only for woodland specific capital items)
- Standard, national payment rates
- Annual (or bi-annual?) payment - TBC

NELMS Option Menu: Higher Tier



National Menu

Complex
Management

Simpler
Management

NELMS has a **single option menu** covering all the management options and capital items

However, some options (eg habitat creation) require tailoring to site and 1-2-1 delivery body support to be effective

As such they are only available through Higher Tier

NELMS Option Menu: Middle Tier



National Menu

Complex
Management

Simpler
Management

Middle Tier will rely on online guidance and 3rd party support to steer option choice, which is otherwise applicant driven:

- Complex options not available
- Signpost to best options for local issues – targeting statements based on national framework
- Scheme entry assessment: scoring of options selected by applicant, weighted in favour of those targeted in that area

Woodland options within NELM's



- **Woodland Planning Grant** – to support the preparation of a United Kingdom Forestry Standard (UKFS) compliant Woodland Management Plan. A pre-requisite to access woodland options within NELMS.
- **Woodland Improvement** – to deliver substantial change in supporting Priority Species, Priority Habitats and resilience
- **Woodland Regeneration** – to restore forest potential damaged by non-endemic pests and diseases; to change the species structure of forests for ecological reasons eg restoration of plantations on ancient woodland sites
- **Woodland Creation** – to support the creation and establishment of new woodlands to increase woodland cover for biodiversity, flood management and water quality
- **Woodland Infrastructure** – to support the improvement of access for example in bringing under-managed woodlands into management

We hope NELMS will be....



Simpler:

- No more underpinning between scheme elements (ELS-HLS)
- No upland or organic specific sub-schemes, though these themes are still supported
- Simpler menu of options to choose from
- No points/ha entry threshold

Clearer:

- About what it plans to achieve where (targeting and prioritisation)
- How individual holdings can benefit and contribute to wider environmental improvement

How does NELMS support Area team delivery - what opportunities to shape?



- By 2020 all ELS (30,000) and about 7,000 HLS will have expired; NELMS underpins that customer transition
- The 'tool' aligns to NE ambitions for SSSI recovery and Lawton's landscape scale 'bigger, better and joined up'
- Defra own NELMS – but we manage it and bring it to life
- Local team contributions
 - The options we have and how described
 - Local validation of national targeting
 - How we deploy scheme and flexibilities we offer
 - The guidance you will provide

Basic Timeline



- **RDP Programme Document** (containing NELMS design) submitted to European Commission (EC) in early June. Programme sign-off ideally December 2014, but could slip to early 2015.
- NELMS:
 - Finalise scheme design details during September
 - External scheme updates via CAP ‘Factsheets’
 - Online guidance from early 2015
 - Application window expected summer 2015
 - **First contracts live from January 1st 2016**



NELMS Targeting and prioritisation

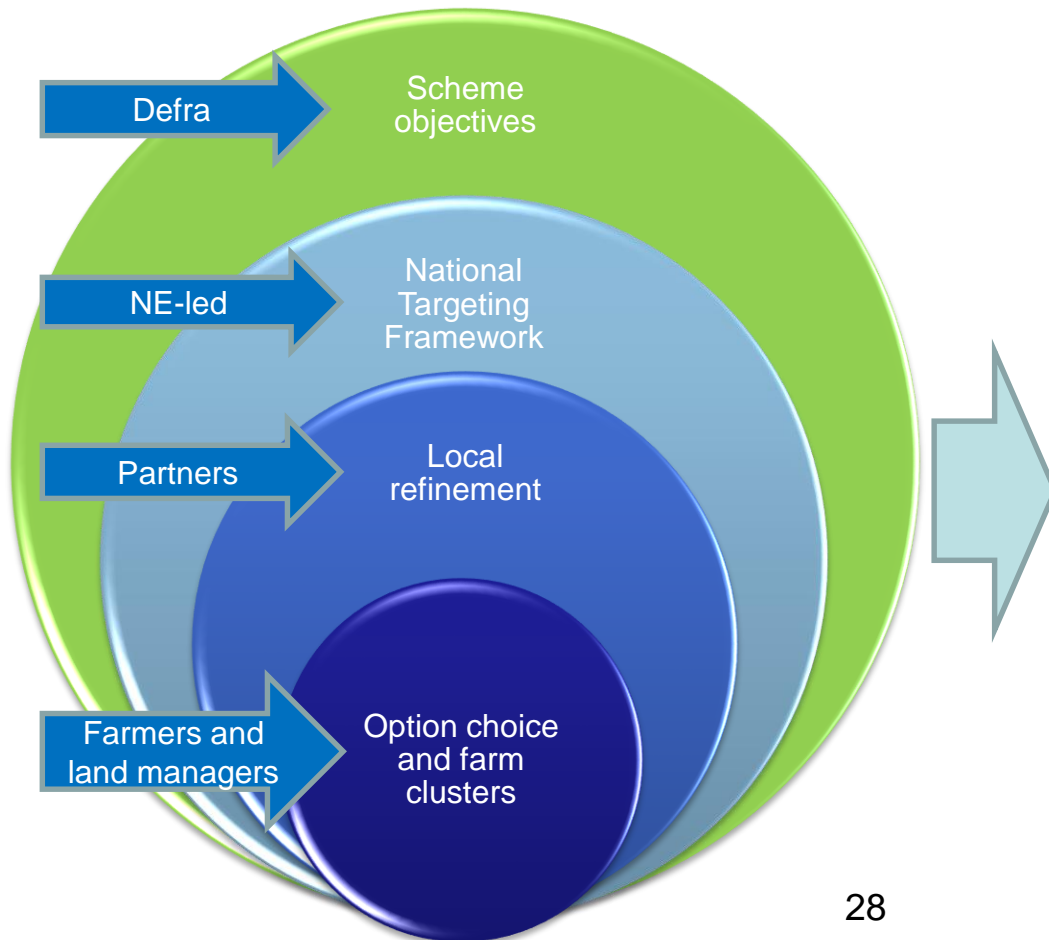
Targeting: context and overall aim



“Get the right agreements and options in the right places”

- Translate environmental evidence from many datasets to:
 - **Guides NE/FC** to opportunities to achieve scheme objectives
 - **Guides applicants** to locally relevant management options
 - Sets criteria for **application scoring**
 - Steer **more coherent** action across many holdings; landscape or catchment scale
- Aids transition from 70% scheme coverage (by area) to circa 35-40% by 2020

Targeting into practice: translating the national framework into practical information



Main outputs:

- Customer-focussed **target statements** for each National Character Area (NCA) published on GOV.UK
- **Weighting criteria** for application scoring within CAP IT

National Targeting Framework



- The national targeting framework is based on data that identifies the priorities for NELMS
- The framework reflects ministerial priorities; it is this framework that the entire approach to targeting and prioritisation of NELMS depends upon.
- Data is ranked/weighted based on expert knowledge across scheme objectives
- Value for money will also be sought through the potential to achieve multiple outcomes, from single or combinations of actions and to build on synergy potential where outcomes overlap
- Refining the national targeting framework at a local level is an important next step as is translating this into customer facing information



Advice and Guidance in NELMS

Delivery Body Advice for Higher Tier agreements:

- Local NE teams will create and manage the new agreement pipeline, in a process involving FC/EA contributions
- Advice provided by Local NE Area Team Adviser or assigned FC lead through application stages and on-going agreements management
- This forms a significant part of the NELMS “Assisted Digital” offer
- Applicant must still ‘own’ their application and complete it on-line



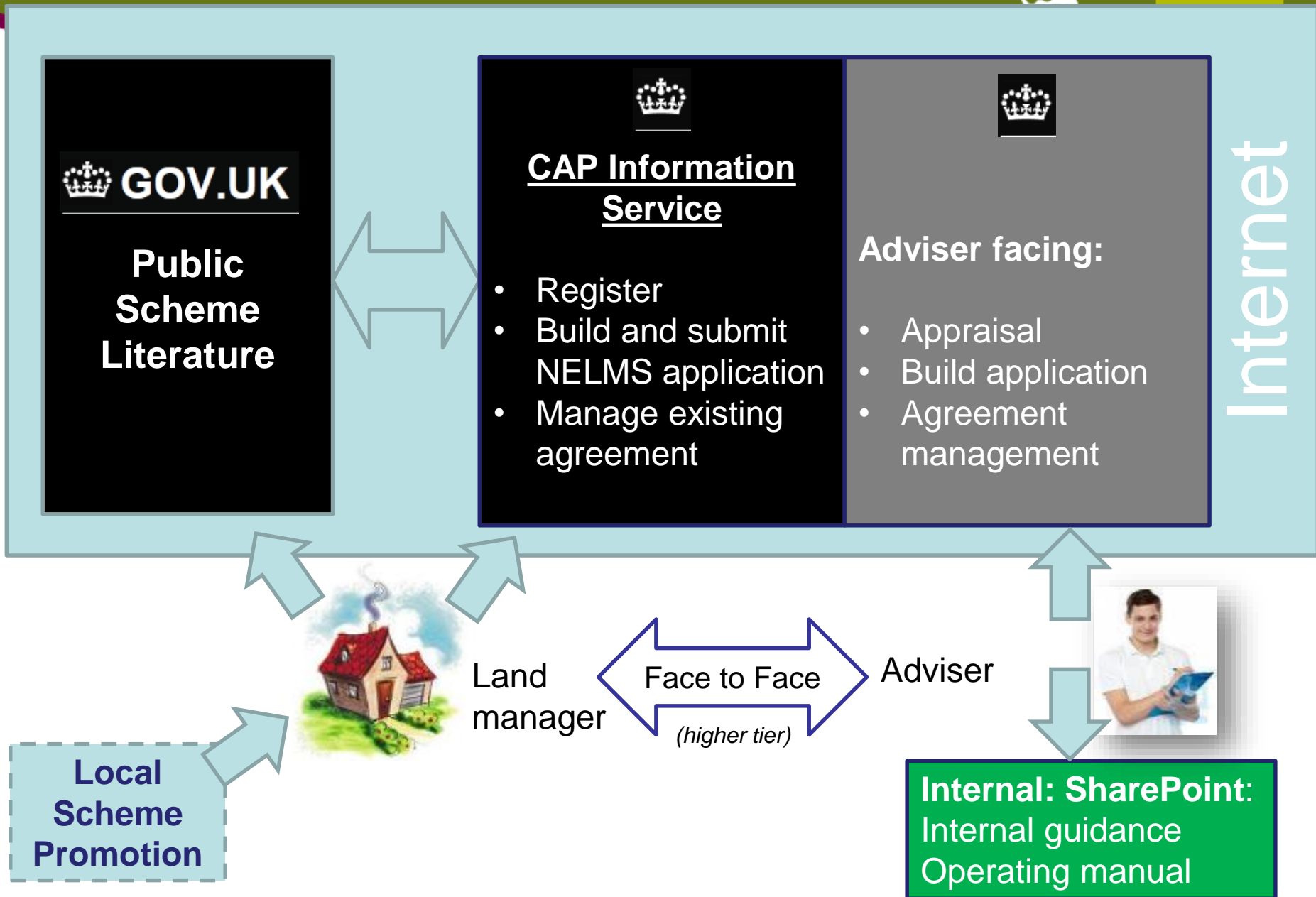
Advice in NELMS for Middle Tier agreements

- Assumed no 1-2-1 NE Local Area Team Adviser advice input
- On-line scheme literature and target statements GOV.UK
- Work with “Farmer’s Trusted Advisers” to provide an additional steer
- Assisted Digital – scope TBC

RDP funded advice in NELMS

- Advice for difficult to verify NELMS options
- Particularly options involving reduced nutrient inputs, arable reversion and livestock stocking rates and record keeping
- Advice on fertiliser planning, (organic and inorganic), stocking, and fertiliser records
- Delivered primarily by group events but some 1:1 on farm activities
- To be delivered by contractors, approved under the **new NE Farm Advice Framework (FAF)**
- Expect this advice to be where no NE adviser is involved face to face, so probably Middle Tier only

NELMS Guidance Sources



Scheme External Literature 2014-20



- Hosted Primarily on the internet (**Digital by Default**) – **GOV.UK**
- Standard GOV.UK format
- Content controlled by Defra-wide “Smarter Guidance” principles
 - Driver by **user needs**
 - Only provide what user **needs to know** and where government is uniquely placed to provide this.
- “Assisted Digital” – service components yet to be developed, lead by RPA.
- Use Assisted Digital strategy to identify need for paper guidance – developed from online content.

Scheme technical, adviser facing literature



- Hosted on the internal Defra network SharePoint system. RPA already have a 'Guidance-Hub' format in place that we might emulate or link with.
- A common platform for technical and transactional support
- Content should be suitable for external requests on demand.
- Not subject to Smarter Guidance Principles – but still aim for clarity and simplicity
- Roll-out linked initially to training need and scheme roll-out timing



Catchment Sensitive Farming

Catchment Sensitive Farming



- New programme under development from March 2015 on
- It will still focus on long-term changes to farming practice and enabling the uptake of voluntary measures
- This will use NELMS measures
 - Standalone grants
 - Land Management soil and water options
- Advice will be procured through new FAF contract
- CSF will be targeted at water priorities:
 - WFD Protected Areas (inc N2K)
 - Water dependent SSSI's
- There will be changes to the areas currently targeted
- CSF will work more closely with other WFD measures including regulation and industry-led initiatives
- Decisions about the programme will be made in the Autumn



Questions?