

Rural Development Sub-Committee

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Written Response to the Rural Development sub-Committee's Report on Glastir by Elin Jones, Minister for Rural Affairs

I am grateful to the Rural Development sub-Committee for providing me with the findings of its short inquiry into Glastir.

I have considered the findings and am pleased to provide a response to the points you raise below. Some of the issues could well have been addressed by me directly to the Sub Committee had I been afforded the opportunity to provide evidence during the inquiry. My officials are working hard to ensure the scheme meets the Welsh Assembly Government's objectives, is accessible and easy to use and is delivered within the timetable I have set out. In doing so they continue to spend a considerable amount of time working with a wide range of stakeholders.

I am confident you will find that the considerable progress that has been made in the development of Glastir since you took evidence in February has addressed the majority of concerns set out in your letter. I also remain confident that Glastir can be delivered successfully within the timetable I have set out.

1) Accessibility

The scheme must be accessible to a wide range of farmers if it is to achieve its objectives, and the Sub-committee urges the Welsh Government to adapt the points system to make the scheme more accessible.

Response

Accessibility to a wide range of farmers across Wales will be important to the success of Glastir. The results of the farm trials have been useful in identifying areas where a better explanation of options may lead to greater uptake. In addition, my officials have redesigned 12 of the prescriptions in response to on-farm reaction to the trials.

At the same time, external validation of the costings underpinning the points system has led to substantial improvements in the number of points allocated to some prescriptions. I remain convinced that the vast majority of farmers in Wales will be able to enter Glastir should they choose to do so.

2.) Resources and Capacity

The Committee urges the Welsh Government to review its decision not to provide project officer support for the entry-level scheme and to consider whether its offices have the capacity to deal with increased demand for support from farmers that may result.

Response

I took the decision not to have project officers for the all-Wales element of Glastir for two reasons. Firstly, to have sufficient project officers to adequately support the number of farmers we expect to enter the all-Wales element would have resulted in an unacceptably high overhead cost - not something that can be justified in the current economic climate. Secondly, one of the comments frequently made by farmers during the review process was that they considered that they have sufficient knowledge of land management to be able to deliver the outcomes that the government is seeking without what they considered to be the overly prescriptive approach adopted by Tir Gofal. The all-Wales element of Glastir has been developed on this basis.

With regard to the issue of resource in Divisional offices, my officials have carefully considered the resource requirements needed to ensure that all applications are dealt with appropriately. I am happy that the necessary changes have been made and that we will be able to cope.

3.) Dual land use

We would like clarity from the Welsh Government about why they have decided to end dual land use payments in Wales. The Committee would also urge the Welsh Government to carry out an assessment on the impact of the change on landowners and tenants in Wales, and the effect it is likely to have on the number of farmers applying to join the scheme.

Response

The European Commission has published critical audit reports against the current practice of dual use of land within the UK. Although the UK has attempted to defend the current dual use practice, the EC remains firm in its view that it is not possible for more than one farmer to meet different scheme eligibility requirements on one parcel of land at any one time. As a responsible Government we must take steps to minimise the risk of financial penalty to Wales.

Subject to any further EC action, I have agreed to move away from this dual use practice in a phased approach for all existing schemes, allowing dual use to be resolved by the end of 2013. As you will appreciate I cannot allow new schemes (i.e. Glastir and the Organic

Farming Conversion Scheme) to be designed and established with dual use conflicts, putting Welsh budgets at risk. This movement has been communicated to the industry and I have asked that farmers consider their working practices against this (and all) EC rules. We have published several articles forewarning farmers of the change in GWLAD and written to all SPS and Agri-environment claimants outlining the forthcoming changes and we have published a Q&A on our website to help farmers understand what they need to do to ensure continued eligibility under the schemes they wish to participate in. Clearly there will be a need for some transfers of land and/or SPS entitlements to ensure that farmers maximise the earning potential of the land. I believe that by phasing out the practise, farmers have sufficient time to make the necessary arrangements.

4.) Capital works

The Welsh Government should therefore provide capital grants to help with installation costs for works for all levels of Glastir, and not just the higher level as currently proposed.

Response

The capital costs of works within the all-Wales element are embedded within the fixed payment rate. The options within the all-Wales element are designed to incur relatively low levels of capital costs, unlike the targeted element where the amount of work required to deliver some options is far greater.

5.) Common land

The Committee believes that the Welsh Government should review its proposal to depend on Graziers Associations for the implementation of Glastir on common land, and that greater success would be ensured through the full implementation of the Commons Act 2006.

Response

EC Regulation 1698/2004 requires that we are able to demonstrate controllability as a prerequisite of making agri-environment payments. This means that we must be able to make a clear link between the payment of money and the delivery of a specific outcome at a specific location. Where the location is a multiple grazer common there is no practical way in which this can be achieved on an individual grazer basis. I recognise the potential that commons have to deliver against the Welsh Assembly Government's environmental objectives and my officials have worked hard to persuade the EC that grazing associations represent the best way of demonstrating controllability. The proposed associations are not a perfect solution but represent a pragmatic attempt to ensure that graziers will be able to access Glastir should they choose to do so.