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The 'new' Agri-Environmental Climate Scheme

It was announced in September that there would be a new funding round in 2019 for the Agri-Environmental Climate Scheme. This is excellent news for the industry, although you might not immediately realise all the reasons why. Most importantly perhaps, the scheme has so far committed more than £144 million, an excellent contribution to Scottish agriculture and individual business income.

The scheme has helped to create more positive environmental outcomes on farmland across Scotland as well as continuing the good works of previous schemes. The scheme and its requirements help to inform farmers and land managers on the most relevant environmental priorities and to guide their thinking on the provision of public goods.

The new funding round is, in fact, not bringing anything new and is only a continuation of the existing scheme, which – for the reasons above – is no bad thing. In which case, it is worth reminding ourselves of what the funding is aimed at, who might be eligible and what kind of applications might be successful. Finally, most importantly, why might you apply?

In short, there are a small number of key areas that the scheme is focused on: designated sites, improving water quality, supporting vulnerable priority species and carbon sequestration. It is immediately apparent from this list that these are big ticket environmental items that the Scottish Government is trying to encourage managers to focus on. These are also easily recognised public goods.

Any business that has a business reference number from SGRPID can apply provided they are able to demonstrate control of the land included in the application for the length of the contract and monitoring period.

The best way we find to describe what kind of application might be successful are those

applications where the manager has bought into doing more than the minimum to help in meeting these national priorities.

This means that if the manager has a designated site, they will need to not just look at previous management and submit an application to carry on doing the same thing, they will need to consult with Scottish Natural Heritage over the needs of the site; if it is not in favourable condition, they will be likely to need to be doing something to contribute to correcting this.

It means that if the manager has a large area of moorland and might traditionally have submitted a basic moorland management plan for livestock, they will have to consider whether there is more they could be doing to improve the conditions of peatland and consider deer management alongside the livestock plan. It means that where a manager might have considered an application including the sowing or management of grass or water margins, they will have to consider whether on the basis of their farm environment assessment they have mitigated as many diffuse pollution risks as they can.

These things might serve to put a lot of people off, but if, as you read, you feel yourself going that way – stop. Let us take a moment to think about how you might actually be able to make use of the scheme.

Perhaps you are a manager who traditionally has had grass or water margins only to meet GAEC or Greening and that diffuse pollution had rarely crossed your mind. It might be worth considering whether in the future the GAEC minimum water margin might increase from 2m to 6m and if this happens whether this might come with a capital payment for sowing all those acres of grass. If you sensibly think not, then why not use this scheme where you will be paid to put bigger margins in?

Perhaps you are that moorland manager

who has grazed livestock and dutifully undertaken a moorland management plan, even though it ignores the deer grazing the same hill. Why not think about making use of the scheme to help fund a deer management

plan and herbivore impact assessments, which might then enable you to introduce management on the hill where it actually needs it, bringing your own business benefits and well as the habitat?

Perhaps you do have a designated site that is not in the favourable condition it needs to be – other than a bit of hassle and effort, what are the downsides from trying to investigate how you might improve it? The upsides are likely to be better biodiversity, better relationships

with SNH and a greater contribution to public goods. And this is the crux of it – providing public goods is something managers have been doing since Adam and Eve, but now there's a name and targets for it, managers will have to spend more time thinking about it.

Land managers should consider taking advantage of these times where you can be paid extra for providing them. In the future providing them may not be voluntary and in return for extra money, it might be compulsory and in return for keeping direct payments, so don't give up the chance of today's upside at tomorrow's expense.

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