EXPLANATORY MEMORANDUM TO

THE UPLANDS TRANSITIONAL PAYMENT REGULATIONS 2014

2014 No. 112

1. This explanatory memorandum has been prepared by the Department for Environment, Food and Rural Affairs and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments and the House of Lords Select Committee on Statutory Instruments.

2. Purpose of the instrument

2.1 These Regulations specify the rates of the uplands transitional payment (UTP) for 2014. They also lay down the conditions of entitlement to such payments. This is the final year of the UTP scheme.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 Regulation 2 defines the England Less Favoured Area maps. These maps are not annexed to the Regulations but are available to the public using the interactive map at the website of Multi-Agency Geographic Information for the Countryside (MAGIC).

http://www.magic.gov.uk/

3.2 Regulation 2 also defines Uplands Entry Level Stewardship agreement and the Rural Development Programme for England 2007-2013 (RDPE). Copies of the Rural Development Programme for England 2007-2013 are available from the Intelligence Hub at the offices of the Department for Environment, Food and Rural Affairs at Nobel House, 17 Smith Square, London SW1P 3JR and at:

http://archive.defra.gov.uk/rural/rdpe/progdoc.htm

3.3 The 2009 official maps of the English Less Favoured Area ("LFA") are in several volumes and retained in the Department's Intelligence Hub, Nobel House, 17 Smith Square, London SW1P 3JR (Telephone 020 7238 6575).

3.4 The payment rates have been increased by 3.5% since 2013.

4. Legislative Context

4.1 These Regulations partially implemented Council Regulation (EC) No 1698/2005 (OJ No L 277, 21.10.05, pl) (Regulation 1698/2005) on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and Council Regulation (EC) No 1257/1999 (OJ No L 160, 26.6.99, p80) (Regulation 1257/1999) on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF), in so far as those Council Regulations relate to LFAs.

4.2 In particular, these Regulations implemented Article 36(a) (ii) of Regulation 1698/2005 and Articles 13, 14 and 15 of Regulation 1257/1999, by defining the conditions of eligibility for UTP and determining the rates at which it is to be paid. These Regulations are enforced by the Rural Development (Enforcement) (England) Regulations 2007.

4.3 Regulation 1698/2005 formed part of the regulations which implemented the Common Agricultural Policy (CAP). The CAP was reformed following a meeting of the Council of Ministers on 17th December 2013, and new EU regulations, including Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 (OJ 347, 20.12.2013, p487), on support for rural development (Regulation 1305/2013), were made accordingly. The new regulations repeal certain provisions of the previous CAP, but Regulation 1305/2013 provides for the continuing operation of the RDPE into 2014.

5. Territorial Extent and Application

5.1 The Regulations apply in England only.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The Uplands Transitional Payment Scheme is an LFA measure operating under the Rural Development Programme for England (RDPE). It applies only to holdings situated wholly or partly within England. It serves as a transitional payment, and was introduced following the replacement of the Hill Farm Allowance (HFA) in 2010 by Uplands Entry Level Stewardship (Uplands ELS) - a new strand to Environmental Stewardship.

7.2 UTP is open to farmers with severely disadvantaged land. It is aimed at claimants who are unable to enter Uplands ELS due to the continued commitment of their land to an agreement under a classic scheme (Environmentally Sensitive Areas or Countryside Stewardship Scheme) and who successfully claimed HFA in 2010. UTP is available until 2014 when the final classic schemes expire.

7.3 The scheme is administered by the Rural Payments Agency (RPA) on behalf of Defra.

7.4 Regulations are made annually to provide for payment of UTP. The RDPE was approved by the European Commission on 07 December 2007. These Regulations are necessary to ensure implementation of the EU Rural Development regime. This provides for support for Less Favoured Areas to be paid and appropriate procedures to be in place to ensure that eligibility can be properly assessed before payments are made under the RDPE.

7.4 UTP operates broadly on the same basis as HFA with the key difference being that there is no longer a requirement for farmers to stock land at a specific stocking density.

8. Consultation outcome

8.1 No consultation was necessary given that the instrument only determines the eligibility criteria and payment rates for 2014 in respect of an existing scheme.

9. Guidance

9.1 An explanatory booklet providing guidance for scheme years 2012-14 is available on the RPA website at:

http://rpa.defra.gov.uk/rpa/index.nsf/UIMenu/805AA9D41AA8781880257690005621A4?Opendocument

10. Impact

10.1 Since the amendments are to accommodate an annual uprating measure only, and have negligible impact on business, charities, voluntary bodies or the private sector, no Impact Assessment has been prepared.

11. Regulating small business

11.1 Although the legislation applies to small business, changes to the Regulations will not result in an increased impact on these firms.

12. Monitoring & review

12.1 The scheme is operating for a limited period.

13. Contact

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