STATUTORY INSTRUMENTS

2005 No. 621

AGRICULTURE, ENGLAND
COUNTRYSIDE, ENGLAND

The Environmental Stewardship (England) Regulations 2005

Made - - - -	*8th March 2005*
Laid before Parliament	*10th March 2005*
Coming into force - -	*2nd April 2005*

The Secretary of State, being a Minister designated [M1] for the purposes of section 2(2) of the European Communities Act 1972 [M2] in relation to the common agricultural policy of the European Community, in exercise of the powers contained in that section in so far as these Regulations could not have been made under the powers hereinafter mentioned, and otherwise in exercise of the powers conferred on her by section 98 of the Environment Act 1995 [M3], with the consent of Treasury and after consulting the Countryside Agency, English Nature and the Historic Buildings and Monuments Commission for England in accordance with section 99 of the Environment Act 1995 [M4], hereby makes the following Regulations:

Marginal Citations

M1 S.I. 1972/1811.

M2 1972 c. 68.

M3 1995 c. 25. Section 98(5) defines the appropriate Minister. The functions of the Minister of Agriculture, Fisheries and Food (which related only to England) were transferred to the Secretary of State by virtue of article 2(2) of The Ministry of Agriculture, Fisheries and Food (Dissolution) Order 2002 (S.I. 2002/794). The functions of the Secretary of State were, so far as they related to Wales, transferred to the National Assembly for Wales by virtue of article 2 of and Schedule 1 to the National Assembly for Wales (Transfer of Functions) Order 1999 (S.I. 1999/672). The functions of the Secretary of State were, so far as they related to Scotland, transferred to the Scottish Ministers by virtue of section 53 of the Scotland Act 1998 (c. 46).

M4 Section 99 was amended by article 3(d) of the Development Commission (Transfer of Functions and Miscellaneous Provisions) Order 1999 (S.I. 1999/416) and by section 73(4) of, and Schedule 8 to, the Countryside and Rights of Way Act 2000 (c. 37).

Citation, commencement and application

1. These Regulations may be cited as the Environmental Stewardship (England) Regulations 2005, shall come into force on 2nd April 2005 and shall apply to England only.

Interpretation

2. In these Regulations—

"agreement land" means land which is the subject of an environmental stewardship agreement;

"agreement year" means a period of 12 months commencing with the date of, or the anniversary of the date of, the coming into effect of an environmental stewardship agreement;

"beneficiary" means a person who has entered into an environmental stewardship agreement with the Secretary of State;

"carry out", in relation to an obligation under an environmental stewardship agreement or a feasibility study agreement, includes ensuring that the obligation is carried out;

[[F1]"Compendium of UK Organic Standards" means the Compendium of UK Organic Standards, July 2005 Edition, published by the Department for Environment, Food and Rural Affairs;**]**

"conventional land" means agreement land which is not organic land;

"conversion grant" means a grant for converting land to production in accordance with organic standards;

"Council Regulation" means Council Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs [M5] as last amended by Commission Regulation (EC) No 2254/2004[M6];

"date of application" means the date on which an application to enter into an environmental stewardship agreement is received by the Secretary of State;

"ELS element" means obligations relating to ELS options;

"ELS options" means the options set out in column 1 of Part 2 of Schedule 2 for which a points value per unit is specified in column 2 of that Part of that Schedule;

"ELS points score" means the points score for conventional land calculated in accordance with paragraph 2 of Schedule 3;

"ELS points target" means the points target for conventional land calculated in accordance with paragraph 1 of Schedule 3;

"environmental stewardship agreement" has the meaning given to it in regulation 3(2);

"HLS capital works items" means the capital works items set out in column 1 of Parts 4 and 5 of Schedule 2;

"HLS element" means obligations relating to—

(a) HLS options; or

(b) HLS capital works items;

"HLS options" means the options set out in—

(a) column 1 of Part 2 of Schedule 2 for which a maximum payment rate per agreement year is specified in column 4 of that Part of that Schedule; and

(b) column 1 of Part 3 of Schedule 2.

"improved land" means land which has been ploughed or has received artificial fertilizer during the period of 20 years immediately before the date of application and which is not—

(a) top fruit orchard; or

(b) planted with mature trees or shrubs or planted to woodland or coppice, unless such land is used for grazing or keeping livestock;

"interest", in relation to land, means—

(a) a freehold interest;

(b) a leasehold interest;

(c) a licence to occupy; or

(d) in relation to common land, a right to graze or to represent a person with such a right;

"less favoured area" means all the land shown coloured blue and pink in the three volumes of maps numbered 1 to 3, each volume being marked "Volume of maps of less-favoured farming areas in England", dated 20th May 1991, signed and sealed by the Minister of Agriculture, Fisheries and Food and deposited at the offices of the Department for Environment, Food and Rural Affairs at Ergon House, 2 Horseferry Road, London SW1 2AL;

"OELS element" means obligations relating to OELS options;

"OELS options" means the options set out in column 1 of Part 2 of Schedule 2 for which a points value per unit is specified in column 3 of that Part of that Schedule;

"OELS points score" means the points score for organic land calculated in accordance with paragraph 5 of Schedule 3;

"OELS points target" means the points target for organic land calculated in accordance with paragraph 4 of Schedule 3;

"organic land" means agreement land which—

(a) is registered with a private inspection body either as being in conversion to organic farming or as being fully organic; and

(b) if it is situated within the less favoured area, comprises of, or is situated within, a parcel with an area of less than 15 hectares;

"organic standards" means the standards for organic production set out in the Council Regulation, as read with any additional provisions set out in the Compendium of UK Organic Standards;

"parcel" has the same meaning as "reference parcel" in Article 2(26) of Commission Regulation (EC) No 796/2004 laying down detailed rules for the implementation of cross compliance, modulation and the integrated administration and control system provided for in Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers [M7];

"private inspection body" means a private inspection body approved by the Secretary of State for the purposes of Article 9(4) of the Council Regulation [M8];

"special project activity" has the meaning given to it by regulation 5(9)(a);

"special project element" means obligations relating to a special project activity;

"specified purposes" means—

(a) the conservation or enhancement of the natural beauty or amenity of the countryside (including its flora and fauna and geological and physiographical features) or of any features of archaeological interest there,

(b) the promotion of the enjoyment of the countryside by the public, or

(c) the upkeep of the landscape and historical features on agricultural land;

"top fruit" means apples (excluding cider apple varieties), cherries, pears and plums.

Textual Amendments

F1 Words in reg. 2(1) substituted (15.8.2005) by The Environmental Stewardship (England) and Organic Products (Amendment) Regulations 2005 (S.I. 2005/2003), regs. 1(1), **3**

Marginal Citations

M5 O.J. L 198, 22.07.1991, p. 124.

M6 O.J. L 385, 29.12.2004, p. 20.

M7 O.J. L 141, 30.04.2004, p.18.

M8 Regulation 3(1) of the Organic Products Regulations 2004 (S.I. 2004/1604) designates the Secretary of State as the competent authority for the purposes of Article 9(4) of the Council Regulation.

Power to make grants

3.—(1) The Secretary of State may make a grant in accordance with these Regulations to a person who undertakes to do anything in relation to land in which that person has an interest which in the Secretary of State's opinion is conducive to any of the specified purposes.

(2) Such a grant shall be made subject to the condition that the beneficiary complies with the conditions set out in an agreement ("an environmental stewardship agreement") made between that person and the Secretary of State.

(3) The Secretary of State may vary the conditions of an environmental stewardship agreement—

(a) by agreement with the beneficiary; or

(b) by notice served on the beneficiary if the variation is, in the opinion of the Secretary of State, necessary to prevent a breach of a provision of, or made under, the Community Treaties [M9].

(4) The amount of the grant shall be calculated in accordance with regulations 6 and 7(4).

Marginal Citations

M9 "The Community Treaties" is defined in s.1(2) of the European Communities Act 1972 (c. 68).

Applications for grant

4.—(1) An application for a grant shall—

(a) include an application to enter into an environmental stewardship agreement with the Secretary of State; and

(b) be made at such times, in such form and be accompanied by such information, as the Secretary of State requires.

(2) An application to enter into an environmental stewardship agreement containing an HLS element must be accompanied by a plan ("a farm environment plan"), in such form as the Secretary of State requires, identifying the features of environmental significance on the relevant land.

(3) Subject to paragraph (4), in paragraph (2) and Schedule 1 relevant land means land—

(a) which—

(i) is farmed by the applicant as a single farming business; or

(ii) would have been farmed as a single farming business but is instead farmed by the applicant as two or more farming businesses in order to comply with the requirement of the second paragraph of Part A of Annex III of the Council Regulation (which

provides that production in accordance with organic standards must be clearly separated from production which is not in accordance with such standards);

and which includes the land which is the subject of the application to enter into an environmental stewardship agreement with an HLS element; and

(b) which is registered on the Rural Land Register held by the Rural Payments Agency, an executive agency of the Department for Environment, Food and Rural Affairs; and

(c) in relation to which the applicant, either—

(i) alone, or

(ii) with a person who countersigns the application,

has, on the date of the application, the right, for at least five years from that date, to carry out activities of the type required by HLS options.

(4) In paragraph (2), where the land which is the subject of the application forms all or part of a common, the relevant land is the land comprising the entire common.

(5) The Secretary of State shall make a grant ("a farm environment plan grant") to an applicant in respect of a farm environment plan if the plan and the associated application to enter into an environmental stewardship agreement are in such form as the Secretary of State requires.

(6) The amount of a farm environment plan grant shall be calculated in accordance with Schedule 1.

Conditions of environmental stewardship agreements

5.—(1) An environmental stewardship agreement must contain one (and may contain more than one) of the following elements—

(a) an ELS element;

(b) an OELS element;

(c) an HLS element;

(d) a special project element.

(2) An environmental stewardship agreement which contains an ELS element must include an undertaking by the beneficiary to carry out on the conventional land, for the duration of the agreement, sufficient ELS options to obtain an ELS points score equal to or greater than the ELS points target in relation to that land.

(3) An environmental stewardship agreement which contains an OELS element must include an undertaking by the beneficiary to carry out on the organic land, for the duration of the agreement, sufficient OELS options to obtain an OELS points score equal to or greater than the OELS points target in relation to that land.

(4) An environmental stewardship agreement which contains an HLS element must include an undertaking by the beneficiary to carry out on the agreement land, for the duration of the agreement, at least one HLS option.

(5) An environmental stewardship agreement which contains an HLS element must also specify—

(a) the payment rate for each HLS option included in the agreement;

(b) the payment rate for each HLS capital works item listed in column 1 of Part 4 of Schedule 2 included in the agreement; and

(c) the percentage of the cost payable for each HLS capital works item listed in column 1 of Part 5 of Schedule 2 included in the agreement.

(6) The payment rate referred to in paragraph (5)(a) must not exceed the maximum payment rate per agreement year specified for that HLS option in column 4 of Part 2, or column 2 of Part 3, of Schedule 2 (as the case may be).

(7) The payment rate referred to in paragraph (5)(b) must not exceed the maximum payment rate specified for that HLS capital works item in column 2 of Part 4 of Schedule 2.

(8) The percentage referred to in paragraph (5)(c) must not exceed the maximum percentage of cost specified for that HLS capital works item in column 2 of Part 5 of Schedule 2.

(9) An environmental stewardship agreement which contains a special project element must—

(a) include an undertaking by the beneficiary to carry out on the agreement land any activity ("a special project activity") which, in the Secretary of State's opinion, would better, or more fully achieve, the specified purposes than an ELS option, an OELS option, an HLS option or an HLS capital works item (or more than one such option or capital works item);

(b) specify the payment rate or the amount of grant for each special project activity included in such agreement.

(10) The payment rate or the amount of grant referred to in paragraph (9)(b) must not exceed 120% of the sum of—

(a) the loss of income suffered, and

(b) the additional costs incurred

as a result of carrying out such activity.

Amount of grants

6. The amount of a grant payable by the Secretary of State pursuant to regulation 3 shall be determined in relation to—

(a) an ELS element of an environmental stewardship agreement, in accordance with paragraph 3 of Schedule 3;

(b) an OELS element of an environmental stewardship agreement, in accordance with paragraph 6 of Schedule 3;

(c) an HLS element of an environmental stewardship agreement, in accordance with paragraph 7 of Schedule 3; and

(d) a special project element of an environmental stewardship agreement, in accordance with paragraph 8 of Schedule 3.

Conversion grants for organic land

7.—(1) The Secretary of State may only make a grant which is a conversion grant—

(a) in respect of eligible land; and

(b) where the beneficiary agrees to comply with the conditions set out in an environmental stewardship agreement which contains an OELS element.

(2) In paragraph (1), eligible land means land which meets the conditions specified in paragraph (3) and is—

(a) improved land; or

(b) top fruit orchard which—

(i) has a total area of least 0.5 hectares; and

(ii) is planted with at least 80 top fruit trees per hectare.

(3) The conditions mentioned in paragraph (2) are that the land must—

(a) on the date of application, be registered with a private inspection body as being in its first year of conversion to organic production; and

(b) at no time during the period beginning on 10th August 1993 and ending immediately before the date of the agreement, have been registered with a private inspection body as being in conversion to organic production or fully organic (or both).

(4) The amount of a conversion grant shall be calculated in accordance with Schedule 4.

Feasibility study agreements

8.—(1) The Secretary of State may make a grant ("a feasibility study grant") to a person who undertakes to carry out a detailed study of land in which that person has an interest which, in the Secretary of State's opinion, is conducive to any of the specified purposes.

(2) A feasibility study grant shall be made subject to the condition that the beneficiary complies with the conditions set out in an agreement ("a feasibility study agreement") made between that person and the Secretary of State.

(3) An application to enter into a feasibility study agreement shall be made at such times, in such form and be accompanied by such information, as the Secretary of State requires.

(4) The amount of a feasibility study grant shall not exceed the sum of—

(a) the loss of income suffered, and

(b) the additional costs incurred

as a result of complying with the conditions of the feasibility study agreement to which such grant relates.

Amendment of the England Rural Development Programme (Enforcement) Regulations

9. The England Rural Development Programme (Enforcement) Regulations 2000 [M10] shall be amended by adding to Part I of the Schedule, after the words "The Environmentally Sensitive Areas (Stage IV) Order 2000", the following—

"The Environmental Stewardship (England) Regulations 2005".

Marginal Citations

M10 S.I. 2000/3044; the relevant amending instrument is S.I. 2001/431.

Revocation

10.—(1) Subject to paragraph (2), the Organic Farming (England Rural Development Programme) Regulations 2003 [M11] ("the 2003 Regulations") are hereby revoked.

(2) The 2003 Regulations shall continue to apply in relation to any application for a grant under those Regulations which was received before the date on which these Regulations come into force.

Marginal Citations

M11 S.I. 2003/1235.

Elliot Morley
Minister of State
Department for Environment, Food and Rural Affairs

We consent,

Nick Ainger
Gillian Merron
Two of the Lords Commissioners of Her Majesty's Treasury

SCHEDULE 1 Regulation 4(6)

Calculation of farm environment plan grant

1. The amount of a farm environment plan grant in relation to an area of relevant land specified in column 1 shall be that specified in column 2.

2. The area of relevant land for the purposes of paragraph 1 shall exclude any area of land in respect of which a farm environment plan grant has been made during the period of five years immediately before the date of application.

Column 1 ***Area of relevant land (in hectares rounded to two decimal places)***	**Column 2** ***Farm environment plan grant***
less than 5.5	£395
5.5 to 15.49	£555
15.5 to 49.49	£715
49.5 to 149.49	£1035
149.5 to 200.49	£1110
200.5 to 500.49	£1430
500.5 to 1000.49	£1750
1000.5 to 1500.49	£2070
1500.5 to 2000.49	£2390
2000.5 to 2500.49	£2710
2500.5 to 3000	£3030
greater than 3000	£3350

SCHEDULE 2 Regulation 5(5)

ELS options, OELS options, HLS options and HLS capital works items

PART 1

Interpretation

In this Schedule—

"beetle bank" means a linear raised earth bank in an arable field, covered in grass vegetation;

"brassica fodder crop" means a brassica crop which is grown to be grazed by livestock or cut for forage;

"buffer strip" means a strip of land adjoining a field boundary or environmental feature which is not cultivated and where the use of inputs is restricted;

"conservation headland" means an area of land within a cereal field which is adjacent to its boundary and in which the use of insecticides and herbicides is restricted;

"cultivated land" means land which is regularly cultivated by ploughing or other means;

"ditch management" means the cleaning of ditches and the management of vegetation on and adjacent to the ditch bank;

"fen" means an area of low-lying marshy ground;

"heathland" means an area of grass, shrubs and trees on acidic sandy soils;

"hedgerow management" means a cycle of cutting and trimming used to control hedgerow growth and "enhanced hedgerow management" means a more restrictive cycle of cutting and trimming;

"improved grassland" means grassland which—

(a) has been drained, fertilised, re-seeded or otherwise managed to increase its productive capacity; and

(b) receives more than 50 but not more than 100 kilograms per hectare of inorganic nitrogen fertiliser per year;

"in-bye" means enclosed land which is used for the production of grass in an upland area;

"in-field tree" means a tree, the trunk of which is entirely within the field and does not touch the field boundary;

"in-field pond" means a pond which is entirely within the field and does not touch the field boundary;

"inputs" means fertiliser, manures, pesticides and seed;

"intensive grassland" means grassland which receives more than 100 kilograms per hectare of inorganic nitrogen fertiliser per year;

[[F2]"native breed at risk" means a native breed of livestock, of which the number of breeding females in the United Kingdom is, in the opinion of the Secretary of State, lower than the threshold for it in Annex 1 of Commission Regulation (EC) No 817/2004 (laying down detailed rules for the application of Council Regulation (EC) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF)), as last amended by Commission Regulation (EC) No 1360/2005;**]**

"organic grassland" means grassland which is managed organically and which is not rotational land;

"over-wintered stubbles" means the remains of a cereal, oilseed rape, field bean or linseed crop after harvesting, retained through the winter into the following year;

"permanent grassland" means land which is used to grow grasses or other herbaceous forage naturally or through cultivation and which has not been subject to cultivation for at least five years;

"reedbeds" means an area of marshy ground on which the vegetation consists primarily of reeds;

"rotational land" means land which will successively bear different crops as the rotation progresses including grass and clover in the fertility-building phase of the rotation;

"rough grassland" means permanent grassland on which the vegetation is predominantly natural owing to the difficult terrain or other physical constraints;

"rough grazing" means grazing on rough grassland;

"rush pasture" means damp pasture where at least a third of the vegetation comprises rush species and the remainder comprises mainly grass and other herbaceous species;

"skylark plot" means an unsown, sparsely vegetated area of land in a field sown with cereals;

"successional" means containing a range of habitat structures appropriate to the specific target species;

[[F2]"traditional farm building" means a building or part of a building constructed for a use associated with agriculture—

(a) using traditional methods and materials, or

(b) which is, in the opinion of the Secretary of State, of historic or landscape interest;**]**

"whole crop silage" means a crop which is harvested to make silage for feeding to livestock.

Textual Amendments

F2 Words in Sch. 2 Pt. 1 inserted (30.4.2006) by The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(2)**

Textual Amendments

F2 Words in Sch. 2 Pt. 1 inserted (30.4.2006) by The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(2)**

PART 2

ELS options, OELS options and HLS options

Column 1 *Option*	**Column 2** *ELS options points value per unit*	**Column 3** *OELS options points value per unit*	**Column 4** *HLS options maximum payment rate per agreement year*
1. General—			
(a) Identification, recording and retention of features	3 per hectare	3 per hectare	
(b) Basic organic management		30 per hectare	
2. Field boundaries—			
(a) Hedgerow management (on both sides of the hedge)	22 per 100 metres	22 per 100 metres	
(b) Hedgerow management	11 per 100 metres	11 per 100 metres	

	(on one side of the hedge)		
(c)	(c) Enhanced hedgerow management (on both sides of the hedge)	42 per 100 metres	42 per 100 metres
(d)	(d) Stone faced hedge bank management (on both sides of the hedge bank)	16 per 100 metres	16 per 100 metres
(e)	(e) Stone faced hedge bank management (on one side of the hedge bank)	8 per 100 metres	8 per 100 metres
(f)	(f) Ditch management (on both sides of the ditch)	24 per 100 metres	24 per 100 metres
(g)	(g) Ditch management (on one side of the ditch)	8 per 100 metres	8 per 100 metres
(h)	(h) Ditch management combined with hedgerow management mentioned at (a) above	38 per 100 metres	38 per 100 metres
(i)	(i) Ditch management combined with hedgerow management mentioned at (b) above	26 per 100 metres	26 per 100 metres
(j)	(j) Ditch management	56 per 100 metres	56 per 100 metres

	combined with hedgerow management mentioned at (c) above			
(k)	(k) Stone wall protection and maintenance	15 per 100 metres	15 per 100 metres	
3. Trees and woodland—				
(a)	(a) Protection of in-field trees on arable land	12 per tree	12 per tree	£12 per tree
(b)	(b) Protection of in-field trees on grassland	8 per tree	8 per tree	£8 per tree
(c)	(c) Maintenance of woodland fences	4 per 100 metres	4 per 100 metres	
(d)	(d) Management of land bordering woodland	380 per hectare	380 per hectare	£380 per hectare
4. Historic and landscape features—				
(a)	(a) Taking cultivated land in or on which archaeological features are located out of cultivation	460 per hectare	600 per hectare	£600 per hectare
(b)	(b) Reducing cultivation depths on land in or on which archaeological features are located	60 per hectare	100 per hectare	£100 per hectare
(c)	(c) Management of scrub on	120 per hectare	120 per hectare	£120 per hectare

	archaeological sites			
(d)	(d) Management of grassland in or on which archaeological features are located	16 per hectare	16 per hectare	£16 per hectare
[F3(e)	[F3(e) Maintenance of traditional farm buildings	2 per square metre of ground floor area	2 per square metre of ground floor area	£2 per square metre of ground floor area]
5.	**Buffer strips—**			
(a)	(a) Creation (where appropriate) and maintenance of 2 metre buffer strips on cultivated land	300 per hectare		£300 per hectare
(b)	(b) Creation (where appropriate) and maintenance of 2 metre buffer strips on rotational land		400 per hectare	£400 per hectare
(c)	(c) Creation (where appropriate) and maintenance of 4 metre or 6 metre buffer strips on cultivated land	400 per hectare		£400 per hectare
(d)	(d) Creation (where appropriate) and maintenance of 4 metre or 6 metre		500 per hectare	£500 per hectare

	buffer strips on rotational land			
(e)	(e) Creation (where appropriate) and maintenance of 2 metre buffer strips on intensive grassland	300 per hectare		£300 per hectare
(f)	(f) Creation (where appropriate) and maintenance of 2 metre buffer strips on organic grassland		400 per hectare	£400 per hectare
(g)	(g) Creation (where appropriate) and maintenance of 4 metre or 6 metre buffer strips on intensive grassland	400 per hectare		£400 per hectare
(h)	(h) Creation (where appropriate) and maintenance of 4 metre or 6 metre buffer strips on organic grassland		500 per hectare	£500 per hectare
(i)	(i) Creation (where appropriate) and maintenance of buffer strips around in-field ponds in	400 per hectare		£400 per hectare

	improved grassland			
(j)	(j) Creation (where appropriate) and maintenance of buffer strips around in-field ponds in organic grassland		500 per hectare	£500 per hectare
(k)	(k) Creation (where appropriate) and maintenance of buffer strips around in-field ponds in arable land	400 per hectare		£400 per hectare
(l)	(l) Creation (where appropriate) and maintenance of buffer strips around in-field ponds in rotational land		500 per hectare	£500 per hectare
6. Arable land—				
(a)	(a) Management of field corners	400 per hectare	500 per hectare	£500 per hectare
(b)	(b) Establishing and maintaining plant species beneficial to wild birds on arable land	450 per hectare	550 per hectare	£550 per hectare
(c)	(c) Establishing and maintaining plant species	85 per hectare		£85 per hectare

	beneficial to wild birds on set-aside land			
(d)	(a) Establishing and maintaining a mixture of pollen and nectar rich plants on arable land	450 per hectare	550 per hectare	£550 per hectare
(e)	(a) Establishing and maintaining a mixture of pollen and nectar rich plants on set-aside land	85 per hectare		£85 per hectare
(f)	(b) Retention of over-wintered stubbles on arable land	120 per hectare	150 per hectare	£150 per hectare
(g)	(c) Creation and maintenance of beetle banks	580 per hectare	750 per hectare	£750 per hectare
(h)	(d) Creation of skylark plots	5 per plot	5 per plot	£5 per plot
(i)	(i) Creation of conservation headlands	100 per hectare		£100 per hectare
(j)	(j) Creation of conservation headlands with no fertiliser or manure	330 per hectare		£330 per hectare
(k)	(k) Creation (where appropriate) and maintenance	400 per hectare		£400 per hectare

of 6 metre uncropped cultivated margin on arable land			
7. Encouragement of a range of crop types—			
(a) (a) Under-sowing a spring-sown cereal crop with a mixture of seeds of grass and legume species	200 per hectare	150 per hectare	£200 per hectare
(b) (b) Establishing and maintaining plant species beneficial to wild birds on grassland	450 per hectare	550 per hectare	£550 per hectare
(c) (c) Establishing and maintaining a mixture of pollen and nectar rich plants on grassland	450 per hectare	550 per hectare	£550 per hectare
(d) (d) Planting cereals for whole crop silage followed by over-wintered stubbles	230 per hectare	250 per hectare	£250 per hectare
(e) (e) Planting brassica fodder crops followed by over-wintered stubbles	90 per hectare	110 per hectare	£110 per hectare

8. Reduction of soil erosion—			
(a) Management of cultivated land with a high risk of soil erosion	18 per hectare	18 per hectare	£18 per hectare
(b) Management of maize crops to reduce soil erosion	18 per hectare	18 per hectare	£18 per hectare
9. Grassland outside the less favoured area—			
(a) Taking corners of fields of improved grassland out of management	400 per hectare	500 per hectare	£500 per hectare
(b) Management of permanent grassland using low inputs	85 per hectare	115 per hectare	£115 per hectare
(c) Management of permanent grassland using very low inputs	150 per hectare	180 per hectare	£180 per hectare
(d) Management of rush pastures	150 per hectare	180 per hectare	£180 per hectare
(e) Stocking land with cattle and sheep	8 per hectare	8 per hectare	£8 per hectare
10. Land within the less favoured area—			
(a) Management of field corners	100 per hectare	100 per hectare	£100 per hectare
(b) Management of in-bye	35 per hectare	35 per hectare	£35 per hectare

grassland using low inputs			
(c) Management of in-bye pasture and meadows using very low inputs	(c) 60 per hectare	60 per hectare	£60 per hectare
(d) Management of rush pastures	(d) 60 per hectare	60 per hectare	£60 per hectare
(e) Establishment (where appropriate) and maintenance of rough grazing on land in parcels of less than 15 hectares	(e) 35 per hectare	35 per hectare	£35 per hectare
(f) Establishment (where appropriate) and maintenance of rough grazing on land in parcels of 15 hectares or more	(f) 5 per hectare		£5 per hectare
[F4(g) [F4(g) Stocking land with cattle and sheep	8 per hectare	8 per hectare	£8 per hectare]
11. Preparation of land management plans—			
(a) (a) Soil management	3 per hectare	3 per hectare	£3 per hectare
(b) (b) Nutrient management	2 per hectare	2 per hectare	£2 per hectare
(c) (c) Manure management	2 per hectare	2 per hectare	£2 per hectare

(d)	(d) Crop protection management 2 per hectare	£2 per hectare

Textual Amendments

F3 Words in Sch. 2 Pt. 2 Table added (30.4.2006) by The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(3)(a)**

F4 Words in Sch. 2 Pt. 2 Table added (30.4.2006) by The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(3)(b)**

PART 3

HLS options

Column 1 ***HLS option***	**Column 2** ***Maximum payment rate per agreement year***
1. Hedgerows—	
(a) (a) Maintenance of hedgerows of very high environmental value	£27 per 100 metres
2. Woodland trees and scrub—	
(a) (a) Protection of ancient trees in arable fields	£25 per tree
(b) (b) Protection of ancient trees in intensive grassland	£25 per tree
(c) (c) Maintenance of grazed woodland or parkland	£180 per hectare
(d) (d) Restoration of grazed woodland or parkland	£180 per hectare
(e) (e) Creation of grazed woodland	£180 per hectare
(f) (f) Maintenance of small areas of woodland	£100 per hectare
(g) (g) Restoration of small areas of woodland	£100 per hectare
(h) (h) Creation of small areas of woodland in the less favoured area	£200 per hectare
(i) (i) Creation of small areas of woodland outside the less favoured area	£315 per hectare
(j) (j) Maintenance of successional areas and scrub for specific target species	£100 per hectare

(k)	(k) Restoration of successional areas and scrub for specific target species	£100 per hectare
(l)	(l) Creation of successional areas and scrub for specific target species	£100 per hectare
(m)	(m) Supplement to (g) above for the removal of livestock from overgrazed woodland	£100 per hectare
(n)	(n) Supplement to (k) and (l) above for the removal of livestock from overgrazed areas of scrub	£100 per hectare

3. Orchards—

(a)	(a) Maintenance of high value traditional orchards	£250 per hectare
(b)	(b) Maintenance of traditional orchards in production	£95 per hectare
(c)	(c) Restoration of traditional orchards	£250 per hectare
(d)	(d) Creation of traditional orchards	£190 per hectare

4. Historic and landscape features—

(a)	(a) Protection of sub-surface archaeological features by establishing grassland through natural regeneration	£500 per hectare
(b)	(b) Direct drilling of crops to protect archaeological features from ploughing or other deep cultivation	£70 per hectare
(c)	(c) Maintaining high water levels in wetland areas to protect archaeological features	£240 per hectare
(d)	(d) Maintenance of historic water features	£295 per hectare
(e)	(e) Maintenance of water meadows	£350 per hectare
(f)	(f) Restoration and management of water meadows	£350 per hectare

5. Arable land—

(a)	(a) Establishing (where appropriate) and maintaining a grass margin that contains a mixture of grass and wildflower species	£485 per hectare
(b)	(b) Establishing and maintaining plots with plant species beneficial to wild birds	£475 per hectare

(c)	(c) Establishing and maintaining fallow plots for ground-nesting birds	£360 per hectare
(d)	(d) Establishing and maintaining an un-harvested, fertiliser-free conservation headland	£440 per hectare
(e)	(e) Management of a cereal crop using reduced herbicides followed by over-wintered stubbles and a spring crop	£195 per hectare
(f)	(f) Management of fodder crops to retain or re-create a mixture of wildflower and grass for seed-eating birds	£150 per hectare
(g)	(g) Establishing and maintaining cultivated fallow plots or margins for rare arable plants on set-aside land	£80 per hectare
(h)	(h) Establishing and maintaining plots for ground-nesting birds on set-aside land	£80 per hectare
(i)	(i) Management of a cereal crop using reduced inputs followed by set-aside	£140 per hectare
(j)	(j) Establishing and maintaining of un-harvested, fertiliser-free conservation headlands followed by set-aside	£400 per hectare
(k)	(k) Establishing a spring cereal crop using restricted inputs to retain or re-create an arable area within a predominantly grassland area	£250 per hectare
(l)	(l) Establishing and maintaining cultivated fallow plots or margins for the establishment of rare arable plants	£440 per hectare

6. Resource protection—

(a)	(a) Reversion of arable land to unfertilised grassland to prevent erosion or run-off	£280 per hectare
(b)	(b) Reversion of arable land to grassland with low fertiliser input to prevent erosion or run-off	£210 per hectare
(c)	(c) Management of in-field grass areas to prevent erosion or run-off	£350 per hectare
(d)	(d) Preventing erosion or run-off from intensively managed improved grassland	£280 per hectare

(e)	(e) Supplement to (a) to (d) above for the seasonal removal of livestock from grassland or grass areas (as the case may be)	£40 per hectare
(f)	(f) Supplement to (d) above where grassland is also managed without the use of fertilisers	£55 per hectare

7. Grassland—

(a)	(a) Maintenance of species-rich grassland	£200 per hectare
(b)	(b) Restoration of species-rich grassland	£200 per hectare
(c)	(c) Creation of species-rich grassland	£280 per hectare
(d)	(d) Maintenance of wet grassland for breeding waders	£335 per hectare
(e)	(e) Maintenance of wet grassland for wintering waders and wildfowl	£255 per hectare
(f)	(f) Restoration of wet grassland for breeding waders	£335 per hectare
(g)	(g) Restoration of wet grassland for wintering waders and wildfowl	£255 per hectare
(h)	(h) Creation of wet grassland for breeding waders	£355 per hectare
(i)	(i) Creation of wet grassland for wintering waders and wildfowl	£285 per hectare
(j)	(j) Maintenance of semi-improved or rough grassland for target species	£130 per hectare
(k)	(k) Restoration of semi-improved or rough grassland for target species	£130 per hectare
(l)	(l) Creation of semi-improved or rough grassland for target species	£210 per hectare
(m)	(m) Management of buffer strips on intensive grassland	£590 per hectare
(n)	(n) Continuation or re-introduction of haymaking	£75 per hectare
(o)	(o) Supplement to (a) to (l) above for raising water levels in ditches and adjacent land	£80 per hectare
(p)	(p) Supplement to (e), (g) and (i) above for flooding the grassland	£85 per hectare

8. Moorland and upland rough grazing—

(a)	(a) Maintenance of moorland	£40 per hectare
(b)	(b) Restoration of moorland	£40 per hectare
(c)	(c) Creation of upland heathland	£60 per hectare
(d)	(d) Maintenance of rough grazing habitat for birds	£80 per hectare
(e)	(e) Restoration of rough grazing habitat for birds	£80 per hectare
(f)	(f) Supplement to (a), (b), (d) and (e) above for the management of grazing	£5 per hectare
(g)	(g) Supplement to (a), (b), (d) and (e) above for the removal of livestock	£10 per hectare
(h)	(h) Supplement to (a) to (e) above for the re-wetting of moorland to maintain wildlife habitats	£10 per hectare
(i)	(i) Supplement to (a), (b), (d) and (e) above for management of heather, gorse and grass by burning or cutting	£7 per hectare

9. Access—

(a)	(a) Permitting and making provision for public access to farmland	£41 per hectare
(b)	(b) Provision of footpath access on farmland	£45 per 100 metres
(c)	(c) Provision of paths on farm land for people with reduced mobility	£105 per 100 metres
(d)	(d) Upgrading and maintaining paths on farm land for people with reduced mobility	£105 per 100 metres
(e)	(e) Provision of bridleways or cycle paths on farm land	£90 per 100 metres
(f)	(f) Upgrading and maintenance of bridleways or cycle paths on farm land	£90 per 100 metres
(g)	(g) Permitting and making provision for access to farm land for educational visits	£100 per visit
(h)	(h) Permitting and making provision for public access to farm land – base payment for (a) to (f) above	£350 per environmental stewardship agreement
(i)	(i) Permitting access to farm land for educational visits – base payment for (g) above	£500 per **[**[F5]year**]**

10. Lowland heathland—

(a)	(a) Maintenance of lowland heathland	£200 per hectare
(b)	(b) Restoration of heathland on neglected sites	£200 per hectare
(c)	(c) Restoration of forestry areas to lowland heathland	£200 per hectare
(d)	(d) Creation of lowland heathland on arable or improved grassland	£450 per hectare
(e)	(e) Creation of lowland heathland on disused quarry sites	£150 per hectare

11. Inter-tidal and coastal land—

(a)	(a) Maintenance of coastal saltmarsh	£30 per hectare
(b)	(b) Restoration of coastal saltmarsh	£30 per hectare
(c)	(c) Creation of inter-tidal and saline habitat on arable land	£700 per hectare
(d)	(d) Creation of inter-tidal and saline habitat on grassland	£500 per hectare
(e)	(e) Creation of inter-tidal and saline habitat by unmanaged breach or regular inundation	£150 per hectare
(f)	(f) Maintenance of sand dunes	£140 per hectare
(g)	(g) Restoration of sand dunes	£140 per hectare
(h)	(h) Creation of coastal vegetated shingle and sand dunes on arable land	£320 per hectare
(i)	(i) Creation of coastal vegetated shingle and sand dunes on grassland	£200 per hectare
(j)	(j) Supplement to (a) to (e) above for the management of grazing on saltmarsh or saline habitat (as the case may be)	£70 per hectare
(k)	(k) Supplement to (b) and (e) above for the temporary removal of livestock from saltmarsh or saline habitat (as the case may be)	£40 per hectare

12. Wetland—

(a)	(a) Maintenance of ponds of high wildlife value with an area of less than 100 square metres	£90 per pond

(b)	(b) Maintenance of ponds of high wildlife value with an area of at least 100 square metres	£180 per pond
(c)	(c) Maintenance of reedbeds	£60 per hectare
(d)	(d) Restoration of reedbeds	£60 per hectare
(e)	(e) Creation of reedbeds	£380 per hectare
(f)	(f) Maintenance of fen	£60 per hectare
(g)	(g) Restoration of fen	£60 per hectare
(h)	(h) Creation of fen	£380 per hectare
(i)	(i) Maintenance of lowland raised bog to provide habitat for wildlife	£150 per hectare
(j)	(j) Restoration of lowland raised bog to provide habitat for wildlife	£150 per hectare
(k)	(k) Supplement to (c) to (h) above for implementing a cutting regime	£350 per hectare
(l)	(l) Supplement to (f) to (j) above for implementing a grazing regime	£200 per hectare

13. Additional supplements—

(a)	(a) Supplement for controlling invasive plant species	£60 per hectare
(b)	(b) Supplement for controlling bracken	£35 per hectare
(c)	(c) Supplement for the management of small fields	£35 per hectare
(d)	(d) Supplement for the management of difficult sites	£50 per hectare
(e)	(e) Supplement for land in respect of which there is more than one rights holder or owner	£10 per hectare
[[F6](f)	**[**[F6](f) Supplement for cattle grazing for conservation purposes	£35 per hectare**]**
[[F6](g)	**[**[F6](g) Supplement for grazing native breeds at risk	£70 per hectare**]**

Textual Amendments

F5 Word in Sch. 2 Pt. 3 Table substituted (30.4.2006) by The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(4)(a)**

F6 Words in Sch. 2 Pt. 3 Table added (30.4.2006) by The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(4)(b)**

PART 4

HLS capital works items

Column 1 ***HLS capital works item***	**Column 2** ***Maximum payment rate***
1. Boundaries—	
(a) (a) Hedgerow restoration, including laying, coppicing or planting to fill gaps in a hedge, or any combination of these, and follow-up maintenance of restored hedgerows	£5 per metre
(b) (b) Planting hedges	£5 per metre
(c) (c) Hedgerow restoration – removal of fence posts and wires	£0.60 per metre
(d) (d) Hedgerow restoration – preparatory work on hedges more than 1.5 metres wide and 5 metres high	£2.40 per metre
(e) (e) Hedgerow restoration – additional work which involves use of staking and top binding	£2.40 per metre
F7 . . .	F7 . . .
(g) (g) Restoration of stone walls	£16 per metre
(h) (h) Supplement to (g) above where 50% or more of the stone is imported from elsewhere on the holding	£6 per metre
(i) (i) Supplement to (g) above where 50% or more of the stone is imported from outside the holding	£30 per metre
(j) (j) Supplement to (g) above where at least 10 metres of the wall is on slopes exceeding 30 degrees	£7 per metre
(k) (k) Supplement to (g) above for the installation of stock-proof wiring along upper surface of a stone wall	£1.80 per metre
(l) (l) Repair of stone-faced hedge banks	£16 per metre
(m) (m) Restoration of stone-faced hedge banks	£34 per metre
(n) (n) Restoration of earth banks	£3 per metre
(o) (o) Supplement to (n) above for additional work in casting up	£1.20 per metre

(p)	(p) Restoration of ditches, dykes or rhines	£2.90 per metre

2. Fencing associated with conservation works—

(a)	(a) Installation of sheep fencing	£1.80 per metre
(b)	(b) Installation of post and wire fencing	£1.20 per metre
(c)	(c) Installation of deer fencing in parks of historical interest	£4 per metre
(d)	(d) Installation of rabbit fencing	£1.50 per metre
(e)	(e) Installation of permanent electric fencing	£1.20 per metre
(f)	(f) Installation of high tensile fencing	£1.25 per metre
(g)	(g) Supplement to (a) to (f) above for the installation of fencing in difficult sites	£2.50 per metre

3. Tree-planting and tree management—

(a)	(a) Installation of spiral rabbit guards	£0.20 per guard
(b)	(b) Planting of trees, shrubs and whips, including transplanting	£1.60 per tree, shrub, or whip
(c)	(c) Installation of tree-tubes and stakes	£0.50 per tube
(d)	(d) Planting of standard trees in parks of historical interest	£7.50 per tree
(e)	(e) Installation of parkland tree guards (post and wire) in parks of historical interest	£64 per guard
(f)	(f) Installation of welded steel tree guards	£106 per guard
(g)	(g) Planting of fruit trees	£17 per tree
(h)	(h) Installation of orchard tree guards (tube and mesh)	£3.30 per guard
(i)	(i) Installation of orchard tree guards (post and rail)	£36 per guard
(j)	(j) Pruning of orchard trees	£17 per tree
(k)	(k) Coppicing of trees along watercourses	£29 per tree
(l)	(l) Minor tree surgery, including minor pollarding	£43 per tree

(m)	(m) Major tree surgery, including major pollarding	£89 per tree
(n)	(n) Tree removal	£25 per cubic metre

4. Upland management—

(a)	(a) Grip-blocking drainage channels	£3.40 per square metre

5. Wetland—

(a)	(a) Creation of ditches, rhines and dykes	£3.60 per square metre
(b)	(b) Creation of gutters	£1.90 per square metre
(c)	(c) Installation of earth bunds	£149 per bund
(d)	(d) Installation of culverts	£153 per culvert
(e)	(e) Installation of timber sluices	£314 per sluice
(f)	(f) Installation of brick, stone or concrete sluices	£960 per sluice
(g)	(g) Creation of scrapes	£1.40 per square metre of surface area up to 100 square metres, and £0.90 per square metre thereafter

F8	F8
. . .	. . .

6. Ponds—

(a)	(a) Creation of ponds	£3 per square metre of surface area up to 100 square metres, and £1 per square metre thereafter
(b)	(b) Restoration of existing ponds	£2.10 per square metre of surface area up to 100 square metres of surface area, and £0.80 per square metre thereafter

7. Introduction of livestock—

(a)	(a) Installation of cattle drinking bays	£119 per bay
(b)	(b) Installation of cattle grids	£538 per grid
(c)	(c) Installation of pipelines to supply water	£2 per metre
(d)	(d) Installation of water troughs	£85 per trough

8. Scrub and bracken—

(a)	(a) Removal or reduction of scrub, where scrub ground cover is less than 25%	£76 per environmental stewardship agreement, plus £228 per hectare
(b)	(b) Removal or reduction of scrub, where scrub ground cover is not less than 25% and not more than 75%	£76 per environmental stewardship agreement, plus £376 per hectare

(c)	(c) Removal or reduction of scrub where scrub ground cover is more than 75%	£76 per environmental stewardship agreement, plus £583 per hectare
(d)	(d) Removal or reduction of bracken by mechanical means	£106 per environmental stewardship agreement, plus £48 per hectare
(e)	(e) Removal or reduction of bracken by the application of chemicals	£61 per environmental stewardship agreement, plus £112 per hectare
(f)	(f) Difficult site supplement	£7 per hectare

9. Landscape items—

(a)	(a) Installation of wooden field gates	£149 per gate
(b)	(b) Installation of stone gate posts	£96 per post
(c)	(c) Removal of eyesores	£120 per eyesore
(d)	(d) Installation of wings for wooden gates	£70 per gate

10. Conservation of species—

(a)	(a) Construction of otter holts (using logs)	£108 per holt
(b)	(b) Construction of otter holts (by pipe and chamber)	£203 per holt
(c)	(c) Installation of bird or bat boxes	£28 per box
(d)	(d) Installation of bird strike markers	£1.50 per marker
(e)	(e) Installation of small mammal boxes	£10.00 per box
(f)	(f) Installation of badger gates	£27 per gate

11. Resource protection—

(a)	(a) Installation of cross drains under farm tracks	£139 per drain
(b)	(b) Relocation of gates	£136 per gate

12. Agreement land to which public access is available—

(a)	(a) Construction of hard standing for car parks	£13 per square metre
(b)	(b) Construction of hard standing for paths suitable for use by disabled people	£15 per square metre
(c)	(c) Installation of bridle gates	£220 per gate
(d)	(d) Installation of kissing gates	£245 per gate

(e)	(e) Installation of kissing gates suitable for wheelchair use	£290 per gate
(f)	(f) Installation of dog gates	£35 per gate
(g)	(g) Installation of timber stiles (other than ladder stiles)	£100 per stile
(h)	(h) Installation of ladder stiles	£125 per stile
(i)	(i) Installation of step-over stiles in stone walls	£115 per stile
(j)	(j) Installation of step-through stiles in stone walls	£85 per stile
(k)	(k) Construction of footbridges	£315 per footbridge
(l)	(l) Installation of benches	£115 per bench
(m)	(m) Payment for professional help in the preparation of notes for schoolteachers in relation to agreement land to which access for educational visits is permitted	£490 per environmental stewardship agreement

13. Other items—

F9		F9
. . .		. . .
(b)	(b) Payment for professional help in the preparation of management plans	£400 per plan

Textual Amendments

F7 Sch. 2 Pt. 4 entry omitted (30.4.2006) by virtue of The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(5)(a)**

F8 Sch. 2 Pt. 4 entry omitted (30.4.2006) by virtue of The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(5)(b)**

F9 Sch. 2 Pt. 4 entry omitted (30.4.2006) by virtue of The Environmental Stewardship (England) and Countryside Stewardship (Amendment) Regulations 2006 (S.I. 2006/991), regs. 1(2), **2(5)(c)**

PART 5

HLS capital works items

Column 1 ***HLS capital works item***		**Column 2** ***Maximum percentage of cost***
(a)	(a) Installation of silt traps	60% of cost
(b)	(b) Installation of wind pumps for maintenance of water levels	80% of cost
(c)	(c) Improvement of droves	50% of cost

(d)	(d) Construction of water penning structures	80% of cost
(e)	(e) Use of native seed mix in relation to the reversion of arable land	100% of cost
(f)	(f) Major preparatory work in relation to the re-creation of heathland	100% of cost
(g)	(g) Installation of livestock handling facilities	60% of cost
(h)	(h) Protection of historical and archaeological features	100% of cost
(i)	(i) Restoration of historic farm buildings	80% of cost

SCHEDULE 3 Regulation 6

Grants

PART 1

ELS points target, points score and grant

1. The ELS points target shall be calculated at the following rates—

(a) in relation to any conventional land situated within the less favoured area which comprises all or part of a parcel with an area of at least 15 hectares ("LFA land"), 8 points per hectare; and

(b) in relation to all other conventional land, 30 points per hectare.

2. The beneficiary's ELS points score shall be calculated by—

(a) multiplying the points value per unit in column 2 of Part 2 of Schedule 2 for each ELS option which is included in the environmental stewardship agreement by the number of units for which it is included (giving the points score for each ELS option); and

(b) adding together the points score for each ELS option.

3. The grant for the ELS element of an environmental stewardship agreement shall be calculated at the following rates—

(a) in relation to any LFA land, £8 per hectare per agreement year; and

(b) in relation to all other conventional land, £30 per hectare per agreement year.

PART 2

OELS points target, points score and grant

4. The OELS points target shall be calculated at the rate of 60 points per hectare.

5. The beneficiary's OELS points score shall be calculated by—

(a) multiplying the points value per unit in column 3 of Part 2 of Schedule 2 for each OELS option which is included in the environmental stewardship agreement by the number of units for which it is included (giving the points score for each OELS option); and

(b) adding together the points score for each OELS option.

6. The grant for the OELS element of an environmental stewardship agreement shall be calculated at the rate of £60 per hectare per agreement year in respect of all organic land.

PART 3

HLS grant

7.—(1) The grant for the HLS element of an environmental stewardship agreement shall be the sum of the grant in respect of any—

(a) HLS options, calculated in accordance with paragraph (2); and

(b) HLS capital works items, calculated in accordance with paragraph (3).

(2) In any agreement year the grant for HLS options shall be calculated by—

(a) multiplying the payment rate referred to in regulation 5(5)(a) for each HLS option included in the environmental stewardship agreement by the number of units for which it is included (giving the payment for each HLS option); and

(b) adding together the payment for each HLS option.

(3) The grant for HLS capital works items shall be calculated as follows—

(a) for HLS capital works items listed in column 1 of Part 4 of Schedule 2, by—

(i) multiplying the payment rate referred to in regulation 5(5)(b) for each such HLS capital works item included in the environmental stewardship agreement by the number of units for which it is included (giving the payment for each such HLS capital works item); and

(ii) adding together the payments for each such HLS capital works item;

(b) for HLS capital works items listed in column 1 of Part 5 of Schedule 2, by—

(i) multiplying the percentage referred to in regulation 5(5)(c) by the cost for each such HLS capital works item included in the environmental stewardship agreement (giving the payment for each such HLS capital works item); and

(ii) adding together the payment for each such HLS capital works item; and

(c) adding together the payments calculated in accordance with sub-paragraphs (a) and (b).

PART 4

Special project grant

8.—(1) The grant for the special project element of an environmental stewardship agreement shall be the sum of the grant for each special project activity included in it.

(2) The grant for a special project activity shall be—

(a) calculated at the rate specified for it, or

(b) the amount specified for it

in the environmental stewardship agreement.

SCHEDULE 4

Regulation 7(4)

Conversion grant

A conversion grant under an environmental stewardship agreement shall be calculated at the following rates—

(a) in respect of established top fruit orchards, £600 per hectare in each of the first three agreement years; and

(b) in respect of improved land, £175 per hectare in each of the first two agreement years.

EXPLANATORY NOTE

(This note is not part of the Regulations)

[M12]These Regulations, which apply to England only, are made pursuant to section 98 of the Environment Act 1995 and section 2(2) of the European Communities Act 1972 .

The Regulations establish a scheme (known as Environmental Stewardship) under which the Secretary of State may make grants for the management of land. It comprises three elements, Entry Level Stewardship ("ELS"), Organic Entry Level Stewardship ("OELS") and Higher Level Stewardship ("HLS"). The Regulations further provide as follows:

Regulation 3 enables the Secretary of State to make a grant to any person who enters into, and complies with, the conditions of an environmental stewardship agreement with the Secretary of State. The agreement must require the beneficiary to carry out an activity which is conducive to a specified purpose on land in which he has an interest. It also provides for the variation of the conditions of such agreements.

Regulation 4 provides that an application for such a grant shall include an application to enter into an environmental stewardship agreement. It also provides, with Schedule 1, for the making of a grant in respect of a plan identifying the features of environmental significance on the farm (or common), land from which is included in an application to enter into an environmental stewardship agreement containing an HLS element.

Regulation 5 provides that all environmental stewardship agreements must contain an ELS element, an OELS element, an HLS element or, exceptionally, a special project element, and may contain more than one such element. In relation to these four elements it further provides that:

(a) the beneficiary of an environmental stewardship agreement with an ELS element must undertake to carry out on his conventional land sufficient ELS options to meet his ELS points target, which is calculated by reference to the area of his conventional land (paragraph 1 of Schedule 3);

(b) the beneficiary of an environmental stewardship agreement with an OELS element must undertake to carry out on his organic land sufficient OELS options to meet his OELS points target, which is calculated by reference to the area of his organic land (paragraph 4 of Schedule 3);

(c) the beneficiary of an environmental stewardship agreement with an HLS element must undertake to carry out on his agreement land at least one HLS option; and

(d) the beneficiary of an environmental stewardship agreement with a special project element must undertake to carry out on the agreement land any activity which, in the Secretary of State's

opinion, would better or more fully achieve the specified purposes than an ELS option, an OELS option, an HLS option or an HLS capital works item (or more than one such option or capital works item).

Regulation 6 and Schedule 3 provide for the calculation of the amount of grant in respect of an ELS, OELS, HLS and special project element of an environmental stewardship agreement. Grant in respect of an ELS and OELS element is calculated by reference to the area of conventional land and organic land respectively. Grant in respect of an HLS element is calculated by reference to amounts set out in the environmental stewardship agreement for the HLS options and HLS capital works items included in it. Such amounts shall not exceed the maximum amounts specified in Parts 2, 3, 4 and 5 of Schedule 2. Grant in respect of a special project element is calculated by reference to the payment rates or amounts specified in the environmental stewardship agreement for the special project activities included in it. Such payment rates and amounts shall not exceed the amount specified in regulation 5(10).

Regulation 7 and Schedule 4 provide for the making of a conversion grant under an environmental stewardship agreement which contains an OELS element and sets out the requirements for land in respect of which such a grant may be made.

Regulation 8 provides for the making of a grant to a person who undertakes to carry out a detailed study of land in which that person has an interest which in the Secretary of State's opinion is conducive to any of the specified purposes.

Regulation 9 amends Part 1 of the Schedule to the England Rural Development Programme (Enforcement) Regulations 2000 (SI 2000/3044), thus giving the Secretary of State enforcement powers in relation to these Regulations.

A full regulatory impact assessment has not been produced for these Regulations as they have no impact on the costs of business.

Status:
Point in time view as at 30/04/2006.

Changes to legislation:
There are currently no known outstanding effects for the The Environmental Stewardship (England) Regulations 2005.