

UPTAKE OF UPLANDS ELS AND THE UPLANDS TRANSITIONAL PAYMENT: RESULTS JULY 2011

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Summary

In 2010 Defra fundamentally changed the way in which upland farmers in England were supported, replacing the area based Hill Farm Allowance (HFA) with a new strand of entry level Environmental Stewardship (ES) aimed specifically at the uplands, 'Uplands ELS'. Transitional payments are available to those receiving HFA in 2010 but not immediately eligible for Uplands ELS.

Applications for Uplands ELS are ongoing and continuous. This paper provides an analysis of the uptake position in July 2011 and compares the characteristics of these farms with those that did not have Uplands ELS agreements or receive the Uplands Transitional Payment (UTP) in 2011. The main findings are:

- By the 4th July 2011, there were 4,655 Uplands ELS agreements covering some 702 thousand hectares (54%) of agricultural land¹ in the Severely Disadvantaged Areas (SDA). Uptake appears to be much greater in the North York Moors (81%) and Northumberland and North Pennine regions (76%). Uptake appears to be considerably lower in the Peaks (25%), Welsh Borders (34%) and South West (37%). The Peaks and South West Moors still have substantial areas remaining under Environmentally Sensitive Area (ESA) or Countryside Stewardship Scheme (CSS) agreement.
- Data provided by the Rural Payments Agency (RPA) in October 2011 suggested that there were 2,148 valid claims for the 2011 UTP.
- In terms of combined uptake, around 80% of agricultural land in the SDA area is covered by those with Uplands ELS agreements and 2011 UTP. Uptake was greatest in Northumberland and North Pennine and Lake District regions (around 90%) and lowest in the South Pennines (56%).
- Those farms without a valid 2011 UTP claim and yet to have an Uplands ELS agreement are more likely to be very small, of farm types other than grazing livestock, to have a greater proportion of their farm business outside the SDA and are less likely to have been in receipt of the HFA compared to the group of farms within these schemes. There is a clear difference in the level of reliance on environmental payments. Those for which no link could be found were significantly less likely to suggest that the level of environmental payments would be a future challenge than other farms.
- In terms of tenure, those farms in receipt of UTP or in Uplands ELS are more likely to have a tenancy agreement (particularly of at least one year) than those farms not in these schemes.

¹ Defined here as the area activated for the 2011 Single Payment Scheme plus the area of all common land within the SDA.

- Excluding the compulsory upland requirements², Uplands ELS agreements are comprised, on average, of 1.4 Uplands ELS options and 4.5 ELS options. By far the most popular Uplands ELS options across England to date have been UL18 (Cattle grazing on upland grassland and moorland), UB11 (Stone wall protection and maintenance on/above the moorland line) and UL20 (haymaking). Each of the other options has been taken up by fewer than 260 agreements.
- There is little difference in the contribution of points to agreements from option groups between farm sizes, but there are differences between farm types and regions. In the Peaks UL18 contributes a greater proportion of points than in other regions; dairy farms have a greater proportion of points from boundary options (EB) than other farm types; mixed farms have a greater proportion of points from non-SDA grassland options (EK) than other farm types; and, as might be expected, dairy and grazing livestock farms have a greater proportion of points from UL18 (grazing cattle).
- Initial analysis suggests that it has not been possible to link 16% of businesses that claimed the HFA in 2010 with an agri-environment scheme agreement or the 2011 UTP. This relatively high number may partly be due to analytical issues surrounding the linking of separate administrative datasets. Differing eligibility rules for landlords and tenants between HFA and Uplands ELS (and hence differing business identifiers between the two datasets for the same land area) may also be a contributory factor. For this reason, the 16% should be regarded as an upper bound. The proportion rises to around 30% in the Peaks and South Pennines but is around 9-10% in the three most northerly regions and the South West Moors. These businesses tend to be very small in terms of both economic size and SDA area, accounting for 9% of the non-moorland SDA area claimed under the 2010 HFA and 5% of the SDA moorland area.

² There are 3 compulsory requirements on SDA land. Every SDA parcel must have either UX2 or UX3. UX1 is also required where applicable.

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1. Introduction

In 2010 Defra fundamentally changed the way in which upland farmers in England were supported, replacing the area based Hill Farm Allowance (HFA) with a new strand of entry level Environmental Stewardship (ES) aimed specifically at the uplands, 'Uplands ELS'. Integrating uplands support within ES allows payments to be linked to the delivery of public benefits by encouraging large numbers of upland farmers and land managers to deliver simple yet effective environmental management. Uplands ELS is administered by Natural England.

Uplands ELS is open to all farmers and land managers in England's 'severely disadvantaged areas' (SDA). However a large number of farmers with land in pre-ES schemes (Environmentally Sensitive Area (ESA) and Countryside Stewardship Scheme (CSS)) will not immediately be eligible until these agreements expire. Transitional payments have therefore been put in place to ensure that these farmers, previously in receipt of HFA, do not miss out on specific uplands funding.

With such a fundamental change in support and changes in eligibility it is important to monitor uptake of the new scheme and transitional payments. An interim analysis of uptake was undertaken for those agreements in place after the first six months of the scheme³. This paper provides an analysis of uptake in July 2011 after the first full year of the scheme and contributes to a wider monitoring programme.

2. Background

It has been recognised for many years that farming in hill and upland areas of England is subject to a number of handicaps including climate, soil fertility, terrain and remoteness. An additional system of upland support has been in force since the 1946 Hill Farming Act, largely through headage payments for breeding livestock. This section provides a background to the new Uplands ELS scheme and its predecessor, the Hill Farm Allowance as well as the interim transitional payment available to those farmers not immediately able to enter Uplands ELS.

2.1 Hill Farm Allowance

Between 1975⁴ and 2000, Hill Livestock Compensatory Allowances (HLCA) provided headage based payments for sheep and suckler cows within the Less Favoured Areas (LFAs). Together with the Sheep Annual Premium and Suckler Cow premium schemes (also headage based), these provided an incentive for producers to increase livestock numbers, leading to overgrazing concerns in some areas, particularly in the uplands. In 2001, support for the LFAs fell under the Rural Development Regulation⁵ and changed to an area based payment, the Hill Farm Allowance (HFA).

HFA provided support to beef and sheep producers farming in the English LFA although this was restricted to the SDA from 2008.

³ "Uptake of ELS and the Uplands Transitional Payment: initial monitoring results July 2010 to January 2011". <http://www.defra.gov.uk/statistics/files/defra-stats-foodfarm-enviro-research-uplands-uelsuptake-jun2011.pdf>

⁴ Less Favoured Areas were established in 1975, following accession to the EU, as a means for providing special aid to socially and economically disadvantaged areas.

⁵ Council Regulation 1257/99 article 13.

2.2 Uplands ELS

Uplands ELS⁶ is a more targeted scheme that rewards farmers for the provision and maintenance of landscape and environment benefits. With the first agreements commencing in July 2010, Uplands ELS is open to all those farming in the SDA, unlike the HFA which was restricted to those with suckler cows/heifers⁷ and breeding ewes. Farmers obtain points by meeting a series of requirements and selecting from a menu of land management options. As with the existing Entry Level Stewardship (ELS) Scheme and its organic equivalent (OELS), farmers must meet a points threshold to qualify for Uplands ELS funding based on the size of their farm and type of land.

Due to double funding rules, land currently under Countryside Stewardship Scheme (CSS) or Environmentally Sensitive Area (ESA) agreements cannot be entered into Uplands ELS until the CS/ESA agreements have expired⁸. Uplands Transitional payments⁹ (UTP) will be available to farmers with land in these schemes and previously in receipt of the HFA, up until the expiry of the CSS/ESA agreements.

2.3 Uplands Transitional Payment

The Uplands Transitional Payment (UTP) is intended as a transitional payment to those former Hill Farm Allowance claimants who cannot yet enter the replacement scheme, Uplands ELS, because of their existing CSS and/or ESA commitments (see section 2.2). Applications are made each year on the Single Payment Scheme application form (SP5). To be eligible for the 2011 payment, applicants must:

- have submitted a valid claim for HFA 2010;
- farm at least one parcel of SDA land which will be in a CSS or ESA agreement on 1 January 2011¹⁰;
- farm at least 10 ha of eligible SDA (including SDA commons);
- keep eligible breeding sheep and or cattle (see booklet for retention dates and breeds);
- have forage land available to be grazed for a period of 7 continuous months, on a date starting between 1 January and 31 March 2010;
- have forage land available for at least 4 of those 7 months;
- follow cross compliance across all of holding;
- agree to keep at least 10 ha of land in the SDA in agricultural production continuously for 5 years from the date of the first Hill Farm Allowance payment; and
- ensure that the land used to claim UTP is not and will not be entered into an Uplands ELS agreement by the applicant until the ESA or CS agreement expires.

UTP payments are adjusted pro-rata where the ESA/CSS agreement expires during the calendar year.

⁶ For further details see <http://www.naturalengland.org.uk/ourwork/farming/funding/es/els/default.aspx>

⁷ At least 60% of the cattle must have calved. The other 40% could be made up of heifers over 8 months old that had not calved.

⁸ All CSS and ESA agreements will have expired by the end of 2014.

⁹ UTP is available to CSS and ESA agreement holders provided they claimed HFA 2010 and do not also have land within Uplands ELS. Further eligibility rules can be found within the guidance notes on the RPA website.

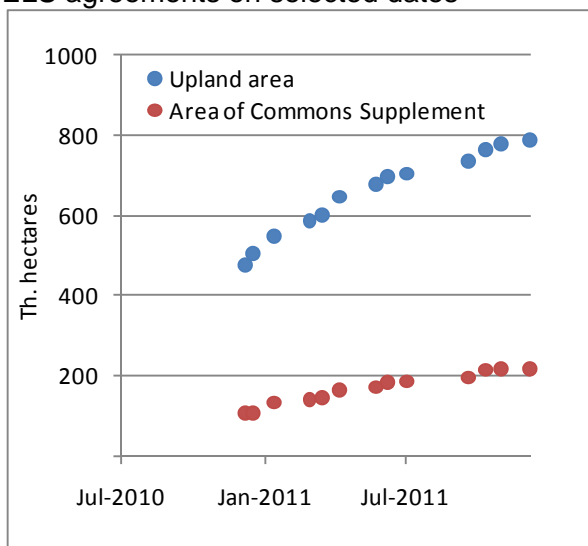
¹⁰ This CSS/ESA agreement does not have to be in the applicant's name and not all of the UTP claim has to be under a CSS/ESA agreement.

3. Analysis and results

3.1 Data sources

This analysis utilises information for a snapshot of 4,655 Uplands ELS agreements that were live on 4th July 2011. Applications for Uplands ELS are ongoing and continuous (Figure 1) – between the 4th July and 9th December 2011 a further 497 agreements became “live”, covering a further 85 thousand hectares in the SDA (Figure 1). Applications for the 2011 Uplands Transitional Payment formed part of the 2010 Single Payment Scheme application (deadline 17th May 2010). Lists of valid and invalid UTP claims, together with 2010 HFA recipients, were updated by the Rural Payments Agency (RPA) on 6th October 2011. Links are required between datasets in order to fully analyse uptake. Most of the linking within this analysis has been undertaken at a business level, via the unique business identifiers utilised by Natural England and the RPA.

Figure 1: SDA areas covered by live Uplands ELS agreements on selected dates



3.2 Scheme Uptake

3.2.1 Uplands ELS

By the 4th July 2011, there were 4,655 recorded live Uplands ELS agreements covering some 702 thousand hectares of land in the SDA. Just 3% of these agreements were organic scheme agreements, accounting for 4% of the upland scheme area (Table 1). The remainder were either Entry level agreements (69%) or Higher level agreements (29%) with the latter accounting for the majority of the upland (62%), moorland (82%) and common supplement areas (82%) within agreements. When expressed as a proportion of the agricultural land¹¹ in each SDA upland region¹², uptake appears to be much greater in the North York Moors (81%) and Northumberland and North Pennine regions (76%). Uptake appears to be considerably lower in the Peaks (25%), Welsh Borders (34%) and South West (37%). The Peaks and South West Moors still have substantial areas remaining under ESA or CS agreements (see Appendix 2).

In the 6 months between January and July 2011 the number of live agreements has increased by 31%. Over the same period, the SDA (upland) area covered by these agreements has increased by 29% and the area eligible for the Commons supplement has increased by 39%. The average agreement covered 151ha of the SDA in July 2011, little changed from the position in mid-January (153ha).

An analysis of the options undertaken by agreement holders can be found in section 3.2.4.

¹¹ Defined here as 2011 activated SPS areas plus area of all common land within designation.

¹² Based on National Character Areas. See Appendix 1.

Table 1: Uptake of Uplands ELS by scheme

Scheme	No. of agreements	Upland Area (Th. ha)	Area of Moorland Parcels >=15ha (Th. ha)	Area of Commons Supp. (Th. ha)
Entry Level plus Higher Level Stewardship	1,334	437	317	151
Entry Level Stewardship	3,190	240	63	32
Organic Entry Level plus Higher Level Stewardship	79	20	8	0
Organic Entry Level Stewardship	52	5	1	0
	4,655	702	389	184
Increase from January 2011	31%	29%	30%	39%

Table 2: Uptake of Uplands ELS by upland region (a)

Upland Region	No. of agreements	Upland Area (Th. ha)	Area of Moorland Parcels >=15ha	Area of Commons Supp.	Upland area as % of farmed SDA area (b)	Moorland area as % of farmed moorland area (b)(c)
<i>No region available</i>	11	0.2	0	0	-	-
1. Northumberland and N. Pennines	1,121	270	160	54	76%	77%
2. Lakes and Cumbrian Coast	567	92	56	42	42%	42%
3. Dales and Trough of Bowland	812	150	96	39	59%	57%
4. North York Moors	283	48	33	25	81%	88%
5. Peaks	556	33	3	0	25%	5%
6. South Pennines	493	35	13	5	46%	33%
7. Welsh Borders	283	17	4	4	34%	53%
8. Exmoor, Dartmoor, Bodmin Moor	507	56	25	15	37%	34%
9. South West DA ¹³	22	1	0	0	31%	2%
	4,655	702	389	184	54%	54%

(a) These are the regions used to report the findings of the 2009 Uplands Farm Practices Survey based on National Character Areas. If a business has land in more than 1 upland region it has been assigned to the region containing the greatest upland area.

(b) Farmed SDA area and farmed moorland area defined here as 2011 activated SPS areas plus area of all common land within designation.

¹³ The South West DA is the upland region in the South West largely containing land classified as being “Disadvantaged Areas” within the Less Favoured Area classification. Farms have been classified to a region according to where the majority of their land lies and hence may also have land falling within the SDA. See Appendix 1 for the classification of National Character Areas to upland regions.

3.2.2 Uplands Transitional Payment

As referred to earlier in this paper, uptake of Uplands ELS will, of course, be limited in some regions due to existing “Classic Scheme”¹⁴ agreements. Within the Lake District, Northumberland and North Pennines, the South West Moors and the Peaks there is still a considerable area within these schemes (see Appendix 2). The Upland Transitional Payment (UTP) provides interim payments to those previously claiming the Hill Farm Allowance but not yet able to join Uplands ELS where the land remains in Classic Scheme agreements. The data provided by the Rural Payments Agency (RPA) in October suggest that there were 2,148 valid and 1,208 invalid claims¹⁵ for the 2011 UTP. Further analysis in section 3.2.4 aims to identify the extent to which 2010 HFA claimants have taken up Environmental Stewardship and the UTP.

Table 4: Summary of valid 2011 UTP claims by upland region

Upland Region	No. of agreements	SDA non-moorland area (th. ha)	SDA moorland area (th. ha)	SDA common land area (th. ha)
<i>No region available</i>	49	2	2	1
1.Northumberland and N. Pennines	293	27	26	8
2.Lakes and Cumbrian Coast	580	39	39	31
3.Dales and Trough of Bowland	297	19	28	5
4.NorthYork Moors	24	2	3	0
5.Peaks	208	14	37	0
6.South Pennines	37	2	5	0
7.Welsh Borders	182	15	1	0
8.Exmoor, Dartmoor, Bodmin Moor	431	30	9	10
9.South West DA	48	0	0	3
	2,148	150	152	59

Table 5: Reasons for invalid 2011 UTP claims and subsequent Uplands ELS uptake

Rejection Reason	Total no. of businesses rejected	Of which now have live Uplands ELS agreement*
No ESA/CS Agreement	815	387
Subsequent withdrawal from UTP scheme	218	56
Failed Uplands ELS cross checks	15	9
Insufficient LFA land	98	68
No HFA 2010	16	0
Other ¹⁵	46	27
Total	1,208	547

*Match between business level “vendor number” for live agreements on 2 November 2011.

The majority of invalid UTP claims (67%) were rejected because the claimant did not farm land currently within an ESA or CS agreement (Table 5). Of the remaining invalid claims,

¹⁴ Environmentally Sensitive Area (ESA) and Countryside Stewardship (CSS) schemes.

¹⁵ The invalid claims include 42 that were classed as manually held, defined as “on hold while appropriate administrative checks were being made”.

Table 6: Invalid UTP claims by farm size

Farm Size	N of businesses
Very small (0 to <0.5 SLR)	280
Very small (≥ 0.5 to <1 SLR)	178
Small (≥ 1 to <2 SLR)	197
Medium (≥ 2 to <3 SLR)	142
Large (≥ 3 to <5 SLR)	160
Very large (≥ 5 SLR)	109
No link to June*	142

* Link to June 2010 based on main cph for businesses

218 (18%) have subsequently withdrawn their UTP claim¹⁶, 98 (8%) had insufficient LFA land and 15 (1%) failed cross checks with Uplands ELS.

43% of rejected claims were from very small farms requiring less than 1 full time equivalent worker (Table 6). Whilst this may seem high, it is less than the proportion of farms of this size in the SDA¹⁷.

3.2.3 Farm characteristics

In order to conduct further analysis of characteristics and particularly to compare the group of Uplands ELS agreement holders and those claiming UTP with non-agreement holders, it has been necessary to derive a population of potential eligible recipients. The field level 2011 Single Payment Scheme (SPS) dataset has been used to identify businesses

Table 7: Numbers of businesses with land in SDA in 2011 linked to Uplands ELS, UTP and ES agreements in summer 2011.

Upland region	All with SDA land (a)	Known to be in Uplands ELS (b)	Known to be claiming UTP	Either Uplands ELS or UTP (c)	Either Uplands ELS, UTP or ES(d)	Either Uplands ELS, UTP ES or Classic(e)
1. Northumberland and N. Pennines	2,073	1,017	292	1,259	1,414	1,537
2. Lakes and Cumbrian Coast	1,837	510	578	1,016	1,159	1,394
3. Dales and Bowland	1,626	709	290	966	1,155	1,263
4. North York Moors	524	245	24	267	334	349
5. Peaks	2,024	506	207	710	893	1,073
6. South Pennines	1,297	456	37	490	595	637
7. Welsh Borders	1,058	250	180	427	560	676
8. Exmoor, Dartmoor, Bodmin Moor	1,767	448	428	803	960	1,181
Other	141	27	30	49	67	74
	12,347	4,168	2,066	5,987	7,137	8,184

(a) Businesses activating SPS entitlements in 2011. Within the SPS dataset, a further 131 businesses accounting for around 4 th. ha of SDA land are recorded as having eligible land in the SDA but did not activate any SDA land parcels (excluding commons).

(b) At 4th July 2011. Note these 4,168 businesses accounted for 4,273 agreements covering an upland area of 505 thousand hectares.

(c) Note some businesses have both. These may have arisen due to Uplands ELS and UTP agreements being on separate farms within the one business.

(d) ES agreements live mid-August 2011.

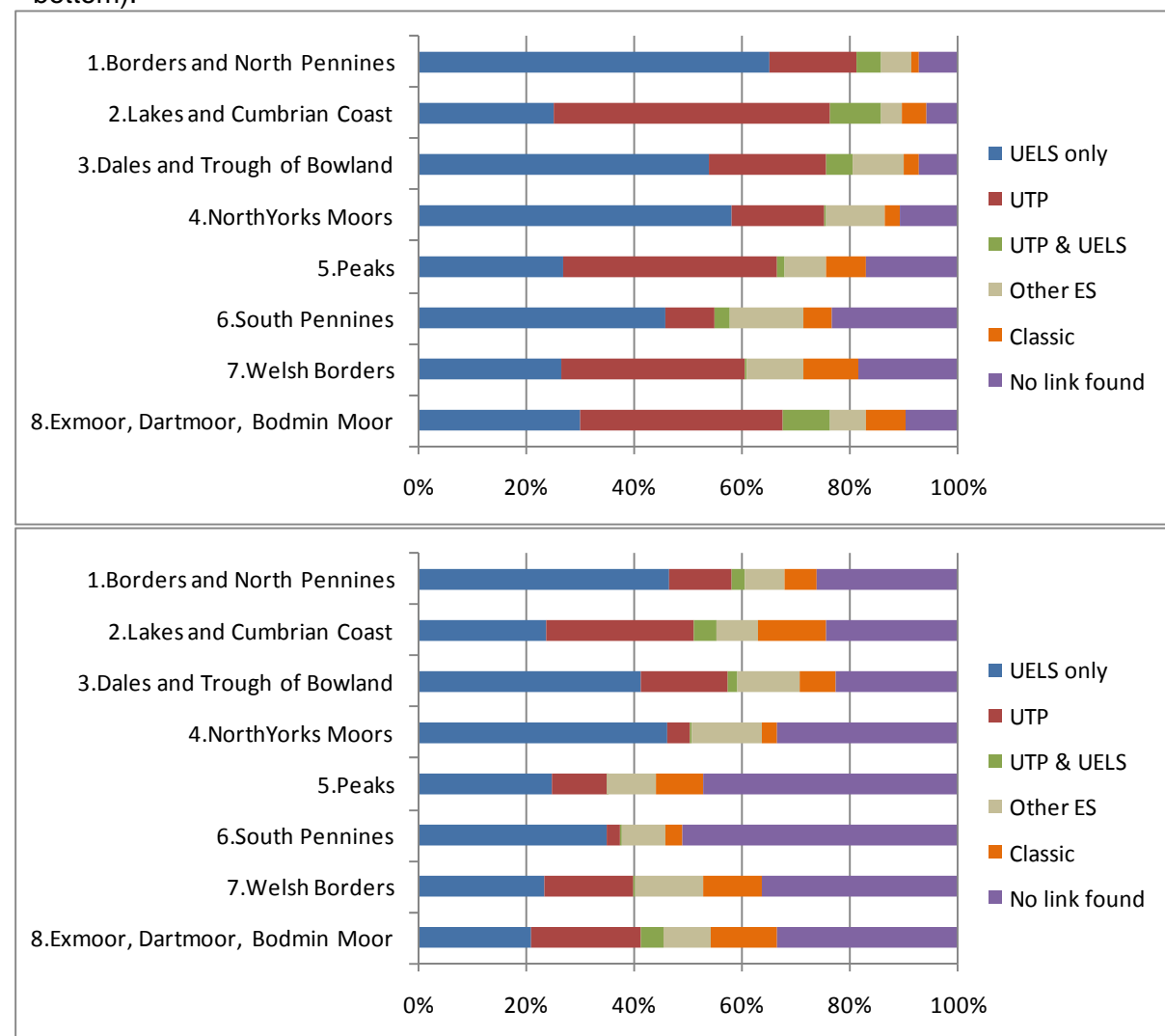
(e) Classic scheme agreements (ESA and CS) have been linked to SPS claimants using maps of scheme agreements overlaid with the locations of fields for which entitlements were activated.

¹⁶ Box may have been ticked erroneously on application.

¹⁷ The June 2010 Survey data indicates that 56% of commercial farms in the SDA were classed as very small.

activating entitlements in the SDA¹⁸ (Table 7). Links have then been made to known Uplands ELS and other Environmental Stewardship agreement holders, and recipients of UTP, based on the available unique business identifiers¹⁹. After the first year of Uplands ELS, 48% of businesses (5,987) activating entitlements in the SDA could be linked to either an Uplands ELS agreement or a valid UTP claim. These businesses accounted for 72% of the activated SDA land in 2011 (excluding common land). Of the remainder, 1,150 businesses could be linked to other Environmental Stewardship agreements and a further 1,047 to Classic Scheme (ESA or CS) agreements. In total, links could be found for 8,184 businesses (77%) covering 90% of the activated land in the SDA and 95% of activated moorland (excluding common land).

Figure 2: Uptake of Uplands ELS, UTP and other agri-environment agreements by region (% of SDA area activated in 2011 SPS – top, % of businesses activating SDA land in 2011 SPS – bottom).



Note: Upland region has been assigned according to where the majority of the upland area of a business falls.

¹⁸ This is not the full population of SDA businesses as there are some farms (approximately 130) within the SPS dataset that have some eligible land in the SDA, but did not activate any entitlements.

¹⁹ The available unique business identifier for Environmental Stewardship agreements is “vendor number”. The available unique business identifier for the SPS is the Single business identifier (SBI). These have been linked together using information from Defra’s Customer and Land Database (CLAD).

Analysis of this population of eligible farm businesses suggests that, in terms of regional uptake, the combined SDA area covered by businesses with Uplands ELS agreements in mid-July 2011 or in receipt of 2011 UTP was greatest in the north of England, and lowest in the South Pennines (Figure 2). There is also evidence that these businesses are more likely to be concentrated within the SDA – having, on average, 81% of their activated land within the SDA. This compares to 51% for those with a standard (O)ELS or (O)HLS agreement and 66% for those for which a link could not be found.

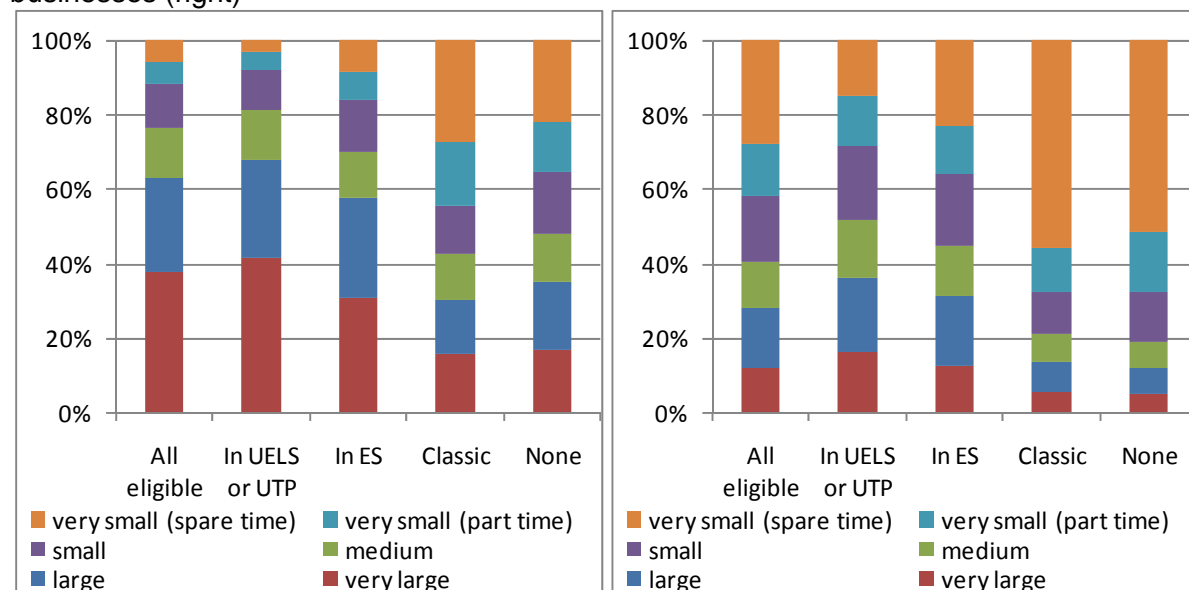
Table 8: Proportion of activated land in SDA for businesses with at least 1 parcel of activated land in the SDA in the 2011 Single Payment dataset

	All with SDA land (a)	Uplands ELS or UTP	Not UELS or UTP but in ES	Not UELS, UTP or ES but Classic	None
Proportion of activated land within SDA	76%	81%	51%	77%	66%

(a) see note (a) to Table 7.

It is worth noting that those farms not known to be in an agri-environment scheme (including Uplands ELS) or in receipt of the 2011 UTP were much less likely to have received the HFA in 2010. 26% of those businesses (56% by area) for which no link could be found received HFA compared to 82% (93% by area) of those businesses for which there was a link with Uplands ELS or the 2011 UTP.

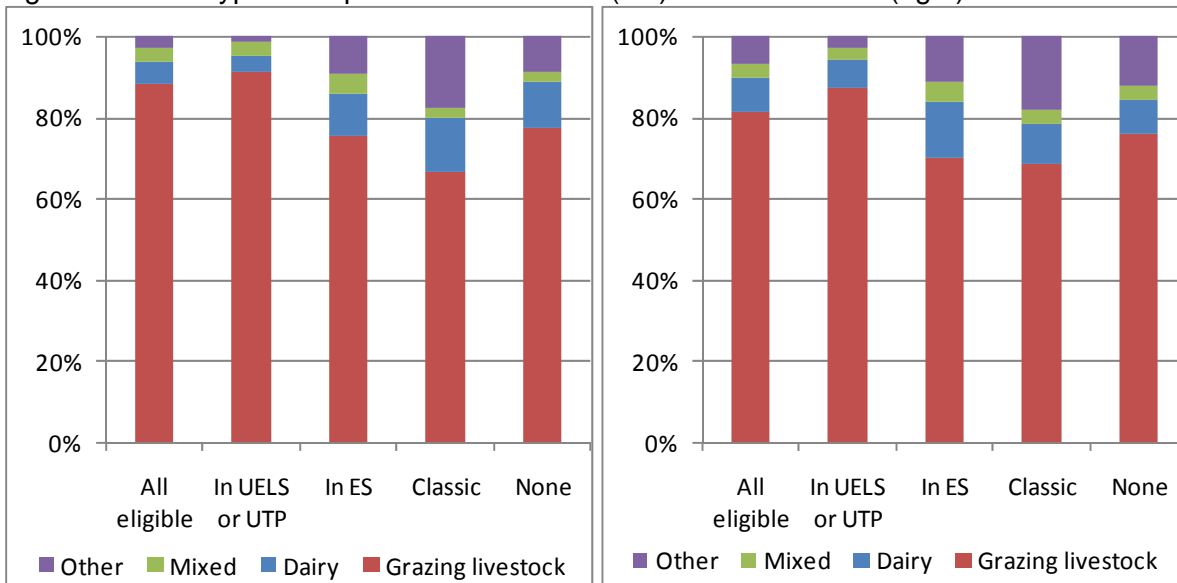
Figure 3: Farm Size (Standard Labour Requirements²⁰) – Proportion of SDA area (left) and businesses (right)



Note: restricted to the population for which a link is possible to the 2010 June Survey dataset (via the main holding number (cph) for the business).

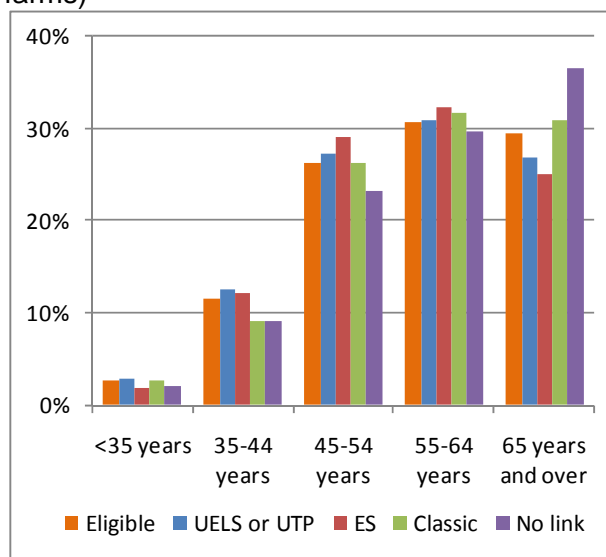
²⁰ SLRs are the calculated labour requirements for each farm. A farm with an SLR of 1 is estimated to require 1 full time person. SLR bands: very small (spare time) < 0.5 SLR, very small (part time) >=0.5 and <1 SLR, small >=1 and <2 SLR, medium >=2 and <3 SLR, large >=3 and <5 SLR, very large >=5 SLR.

Figure 4: Farm Type – Proportion of SDA area (left) and businesses (right)



Notes: restricted to the population for which a link is possible to the 2010 June Survey dataset (via the main holding number (cph) for the business). “Other” farm type includes cereals, general cropping, pigs, poultry and horticulture. From 2010 onwards farm type “grazing livestock” now includes farms of type “specialist horse”.

Figure 5: Age of farmer by category (% of farms)



Source: EC Farm Structure Survey 2010

The characteristics of these upland businesses can be explored by linking across to the available June survey dataset for 2010²¹ and, for a smaller subset of farms, by linking to their responses to the 2009 Upland Farm Practices survey (Uplands FPS).

Those businesses for which a link cannot be found to an agri-environment agreement or the 2011 UTP are more likely to be classed as very small and of a farm type other than “grazing livestock” than those farms with an Upland ELS agreement or in receipt of the 2010 UTP (Figures 3 and 4). It is interesting that the findings are similar for those businesses that have not (yet) changed their ES agreement to include Uplands ELS. Farmer’s age also appears to be a factor

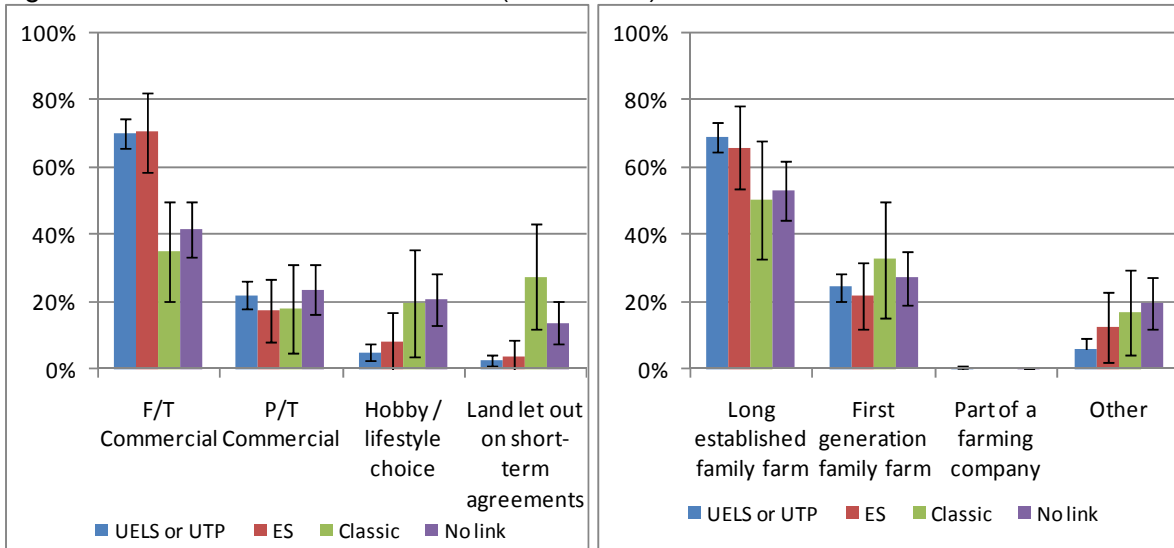
(Figure 5). Those farms for which no link could be found were much more likely to have a farmer aged 65 or over than the other groups considered here.

These findings are generally supported by responses to the 2009 Upland Farm Practices Survey (Figure 6). Those for which no link could be made to agri-environment schemes or the UTP were significantly less likely to consider their businesses to be full time commercial

²¹ Of the 12,347 businesses identified with activated SDA land, a link could be made between the main (business level) holding number from the SPS and 9,155 holding numbers within the 2010 June Census dataset. From June 2010, a threshold has been applied below which farms will no longer be surveyed. Further details can be found at <http://www.defra.gov.uk/statistics/files/defra-stats-foodfarm-landuselivestock-june-results-methodology.pdf>

enterprises or long established family farms and significantly more likely to consider them to be a hobby/lifestyle choice or to let out the land on short term lets.

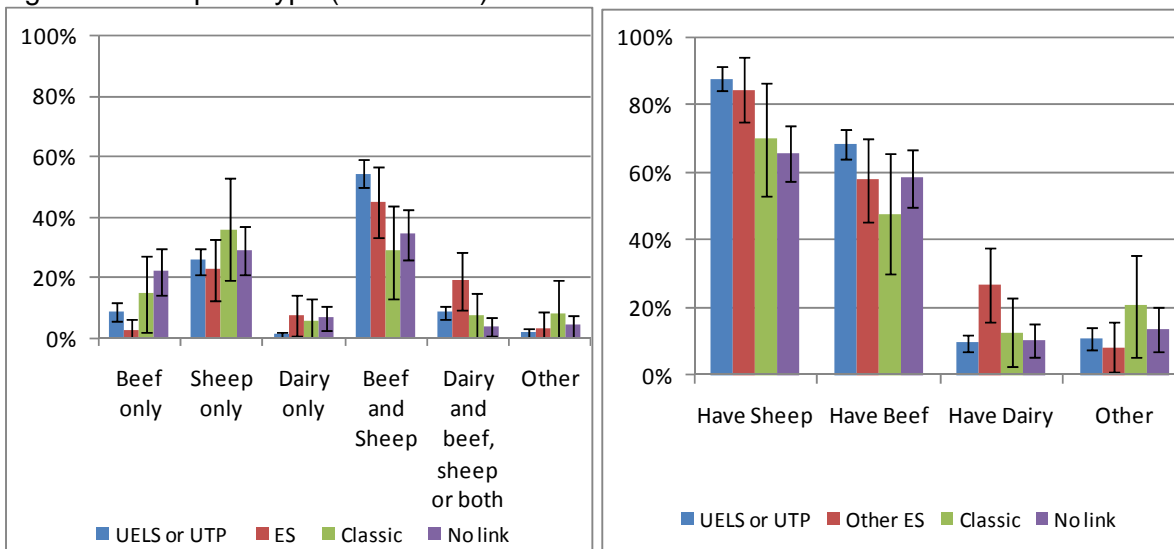
Figure 6: General farm characteristics (% of farms)



Characteristics recorded by the subset of farms with SDA land responding to the 2009 Upland Farm Practices Surveys.

In terms of enterprise type (Figure 7), the responses to the Uplands FPS suggest that those for which no link could be found were less likely to have sheep on the farm and more likely to be beef only businesses than those in Uplands ELS or receiving the UTP.

Figure 7: Enterprise type (% of farms)

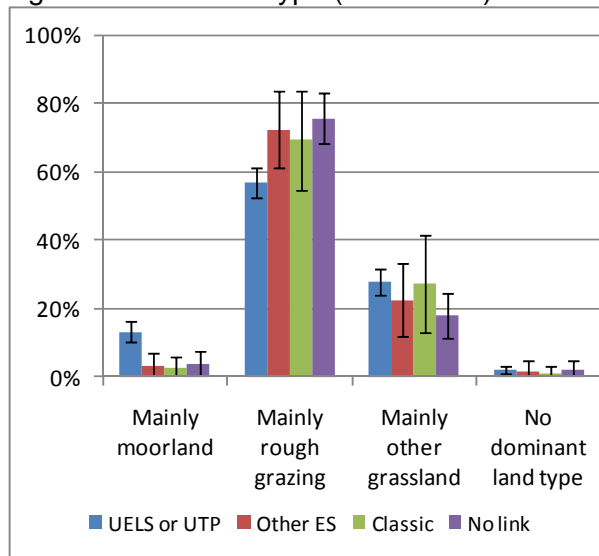


Characteristics recorded by the subset of farms with SDA land responding to the 2009 Uplands FPS, linked to known UTP recipients and Uplands ELS agreement holders.

Those not in receipt of UTP and without an Uplands ELS agreement were also significantly more likely to class themselves as mainly rough grazing and less likely to class themselves as mainly moorland than those receiving UTP or with an Uplands ELS agreement (Figure 8).

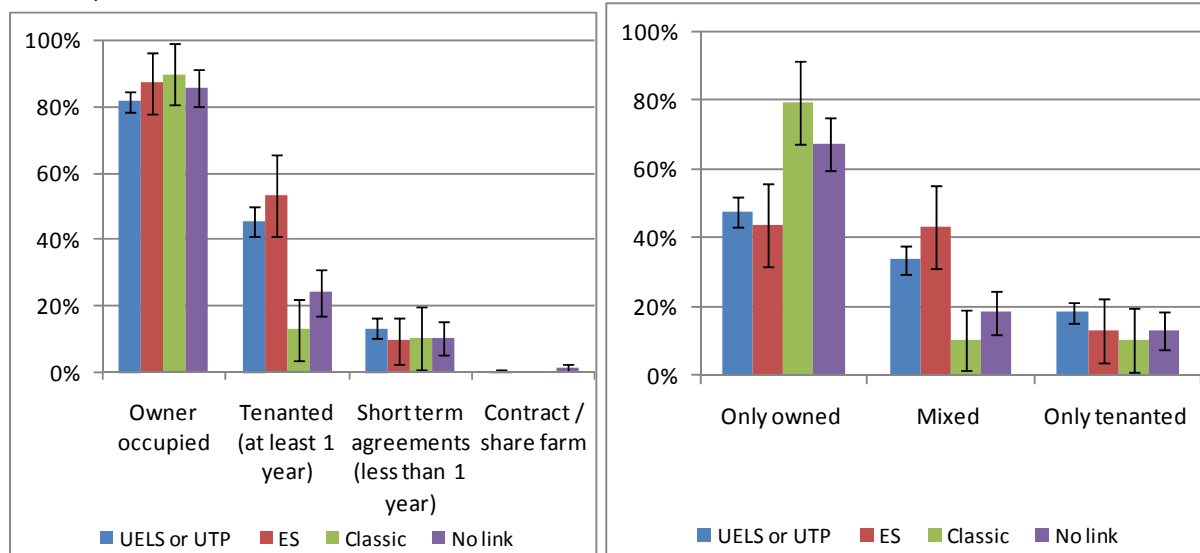
The data suggest that, in terms of tenure, a greater proportion of farms in receipt of UTP or in Uplands ELS (45%) have a tenancy agreement (of at least one year) than those for which no link could be found (24%). (Figure 9).

Figure 8: Grassland type (% of farms)



For notes see below figure 6.

Figure 9: Tenure (% of all SDA farms – top, % of full and part time commercial SDA farms – bottom)

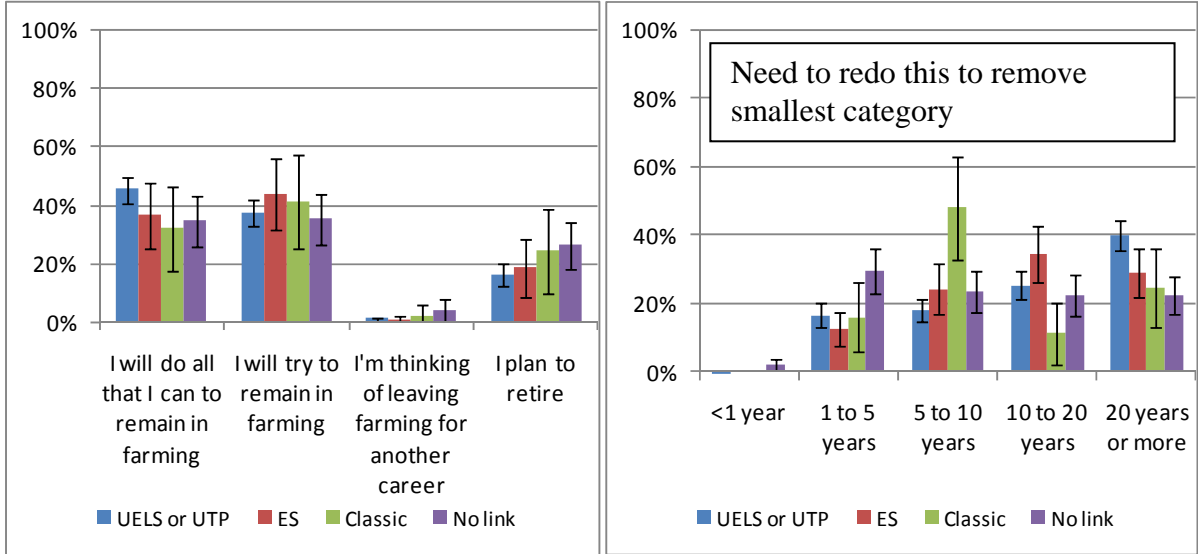


Characteristics shown are those recorded by the subset of farms with SDA land responding to the 2009 Upland FPS, linked to known UTP recipients and Uplands ELS agreement holders.

These charts allow analysis of the impact of tenancy in differing ways. The survey asked farmers to record all types of tenure that occurred on their farm. The chart on the left record the straight results for this question. Hence if a farm had some owner occupied land and some land under a tenancy agreement of at least 1 year, it would appear in both the “owner occupied” and in the “tenanted (at least 1 year)” columns. The right hand chart provides aggregated results where farms can appear in one category only. The same farm would appear in the “mixed” column.

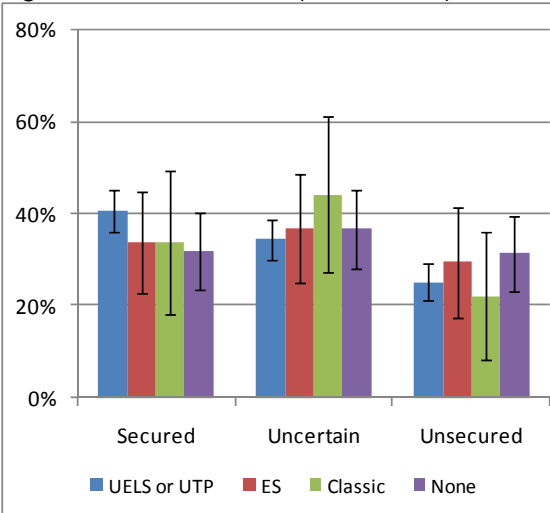
Data presented in Figure 5 highlighted that those businesses for which no link could be found were more likely to have older farmers. Other information from the Upland Farm Practices Survey supports this suggesting that those with no link were more likely to be planning retirement and more likely to suggest that their business would not continue beyond the next 5 years than those already in Uplands ELS or UTP (Figure 10).

Figure 10: Resilience (left) and time business expected to continue (right) (% of farms)



Characteristics recorded by the subset of farms with SDA land responding to the 2009 Uplands Survey, categorised by linking to known UTP recipients and Uplands ELS agreement holders.

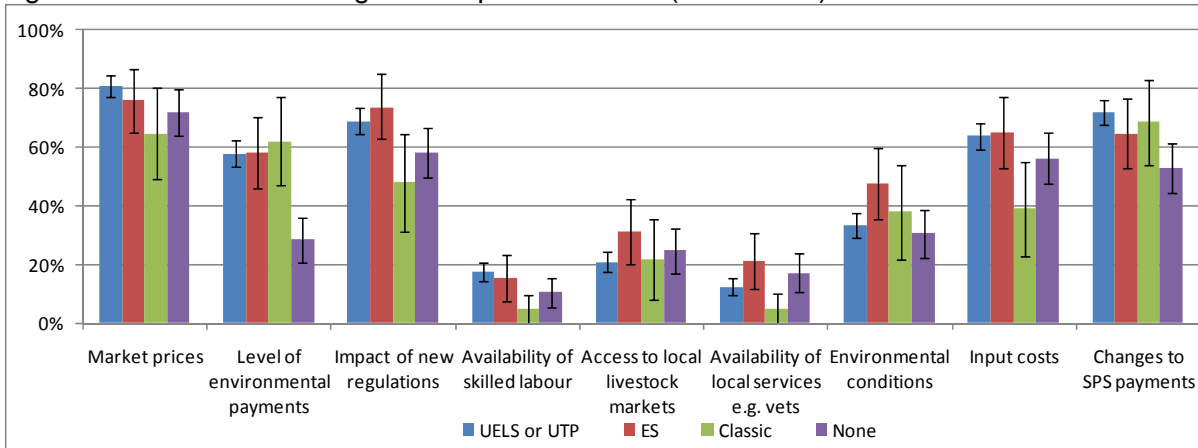
Figure 11: Succession (% of farms)



Succession does not appear to have a significant effect on response (Figure 11), however there is a clear difference in the level of reliance on environmental payments. Those for which no link could be found were significantly less likely to suggest that the level of environmental payments would be a future challenge than for other farms (Figure 12).

For notes see below Figure 10.

Figure 12: Greatest challenges anticipated for farm (% of farms)



For notes see below Figure 10.

3.2.4 2010 Hill Farm Allowance recipients

In 2010, there were 7,007 businesses in receipt of the Hill Farm Allowance (Table 9). In addition to monitoring the uptake of Uplands ELS, an analysis of the subsequent scheme uptake of these farms is important in order to determine whether there is any particular type of farm that has not subsequently applied for the transitional payment or Uplands ELS.

In trying to draw conclusions from this type of analysis that involves the joining of separately maintained datasets²², it must be remembered that there are certain caveats. The record matching has been undertaken at business level using common identifiers with the exception of Environmentally Sensitive Area (ESA) and Countryside Stewardship (CSS) agreements (see below). In keeping with other analysis presented in this paper, those recorded as having an Uplands ELS agreement are those with live agreements on 4th July 2011. Those known to have subsequently live or pending Uplands ELS agreements²³ have been accounted for separately. It is possible that some of those for which no link has been found may have made later applications.

Table 9: Summary of 2010 HFA recipients by upland region

Upland Region	No. of businesses	SDA Area (th. ha)	Moorland area (th. ha)	Common land area (th. ha)
<i>No region available</i>	204	9	11	5
1.Northumberland and N. Pennines	1,323	136	139	50
2.Lakes and Cumbrian Coast	1,076	72	50	64
3.Dales and Trough of Bowland	1,110	74	92	43
4.NorthYork Moors	303	16	13	20
5.Peaks	900	49	46	1
6.South Pennines	614	27	21	7
7.Welsh Borders	569	35	2	3
8.Exmoor, Dartmoor, Bodmin Moor	831	64	24	23
9.South West DA	77	2	0	3
Total	7,007	485	397	218

Details of 2010 Hill Farm Allowance (HFA) and 2011 Upland Transitional Payment (UTP) recipients have been made available at an aggregated business level by Single Business Identifier (SBI) and vendor number²⁴. Details of Environmental Stewardship agreements are available at a more detailed agreement level and each agreement is associated with a vendor number. A business can have more than one farm and more than one Environmental Stewardship agreement. Hence each vendor number may be associated with more than one Environmental Stewardship agreement.

Live ESA and CSS agreements have been matched to the HFA dataset solely using mapping techniques due to limitations in linking business identifiers. Fields associated with HFA businesses (from the 2011 SPS field level dataset) were plotted against maps of ESA

²² The HFA and UTP datasets are maintained by the Rural Payments Agency. The Environmental Stewardship and Classic Scheme (ESA and CSS) datasets are separately held by Natural England.

²³ From the dataset of all Environmental Stewardship agreement applications and live agreements 1 November 2011.

²⁴ The vendor number is a business identifier used for agri-environment scheme payment purposes. For those receiving the 2010 HFA, each business within the dataset had a unique SBI and a unique vendor number.

and CS agreement holders. Businesses for which there was an overlap were deemed to have ESA or CS agreements for this analysis.

Table 10: Links to Uplands ELS and the Uplands Transitional Payment for businesses receiving HFA in 2010

Upland Region	Businesses receiving 2010 HFA	Claiming 2011 UTP	Match to Uplands ELS agreement	Neither UTP nor Uplands ELS*	% with neither UTP nor Uplands ELS*
<i>No region available</i>	204	46	14	145	71%
1.Northumberland and N. Pennines	1,323	292	830	251	19%
2.Lakes and Cumbrian Coast	1,076	577	387	183	17%
3.Dales and Trough of Bowland	1,110	295	571	277	25%
4.NorthYork Moors	303	24	195	86	28%
5.Peaks	900	207	307	389	43%
6.South Pennines	614	37	327	253	41%
7.Welsh Borders	569	178	165	229	40%
8.Exmoor, Dartmoor, Bodmin Moor	831	427	305	172	21%
9.South West DA	77	48	17	20	26%
Total	7,007	2,131	3,118	2,005	29%

* There were 247 businesses with a valid UTP claim and an uplands ELS agreement

Table 11: Links to pending Upland ELS agreements, Classic Scheme agreements and other ES agreements for 2010 HFA recipients with no link to live Uplands ELS or the UTP

Upland Region	UELS pending	Of remainder in ES or ES pending	Of remainder in ESA or CSS	No link found	% 2010 HFA recipients where no link found
<i>No region available</i>	2	25	0	118	58%
1.Northumberland and N. Pennines	27	68	19	137	10%
2.Lakes and Cumbrian Coast	12	46	32	93	9%
3.Dales and Trough of Bowland	43	103	24	107	10%
4.NorthYork Moors	9	33	4	40	13%
5.Peaks	15	70	33	271	30%
6.South Pennines	25	43	5	180	29%
7.Welsh Borders	13	91	14	111	20%
8.Exmoor, Dartmoor, Bodmin Moor	14	51	24	83	10%
9.South West DA		5	3	12	16%
Total	160	535	158	1,152	16%

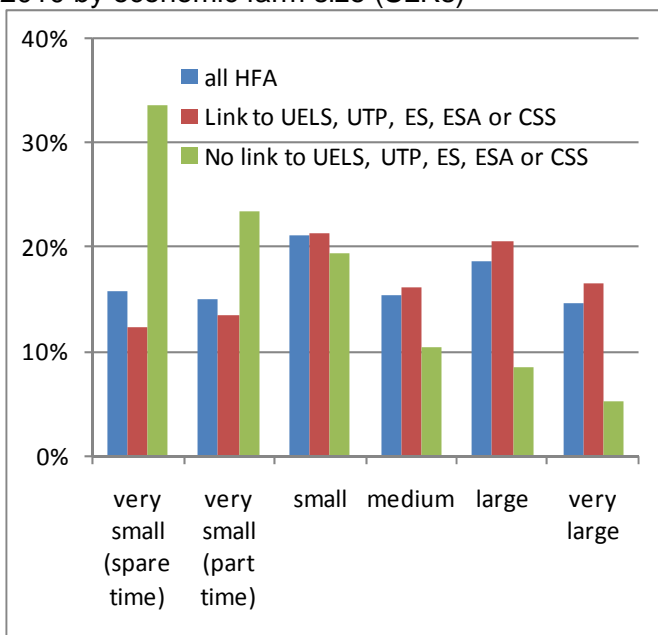
Of the 7,007 businesses receiving HFA in 2010, 2,005 (29%) were found to have neither a valid 2011 UTP claim nor to have a live Uplands ELS agreement by July 2011 (Table 9). Further analysis (Table 10) of Natural England datasets suggests that 160 of these businesses had applied for an Uplands ELS agreement by early November 2011, but that these were awaiting approval or completion. A further 535 businesses had either a standard ELS or HLS agreement either live or in the application process (Table 11) and a further 158 businesses still had existing ESA or CSS agreements but did not have a valid UTP claim.

When these later agreements and other agri-environment scheme datasets had been accounted for, 1,152 businesses (16%) remained that were in receipt of the 2010 HFA for which no link could be found. On a regional basis, the proportion rises to around 30% in the Peaks and South Pennines but is around 9-10% in the three most northerly regions and the South West Moors. Of these 1,152 businesses, around 241 recorded that they had moorland, and 235 that they had common land. Some 1,113 farms recorded non-moorland SDA land. These businesses accounted for 9% of the non-moorland SDA area claimed for the 2010 HFA, 5% of the SDA moorland area claimed and 6% of the SDA common land claimed (Table 12).

Table 12: Summary of areas claimed in 2010 HFA by those 1,152 businesses for which no link could be found to an agri-environment agreement or UTP (see Table 11).

Upland Region	Non-moorland SDA		Moorland SDA		SDA common land	
	(Th. ha)	% of claimed	(Th. ha)	% of claimed	(Th. ha)	% of claimed
<i>No region available</i>	4.9	54%	6.1	58%	2.4	44%
1.Northumberland and N. Pennines	7.8	6%	5.2	4%	2.7	5%
2.Lakes and Cumbrian Coast	2.7	4%	0.1	0%	1.9	3%
3.Dales and Bowland	4.3	6%	2.4	3%	1.4	3%
4.NorthYork Moors	1.1	7%	0.4	3%	1.3	7%
5.Peaks	9.8	20%	1.7	4%	0.1	12%
6.South Pennines	5.2	19%	1.5	4%	1.6	22%
7.Welsh Borders	3.6	10%	0.1	4%	0.5	14%
8.Exmoor, Dartmoor, Bodmin Moor	3.4	5%	0.6	3%	1.0	4%
9.South West DA	0.1	5%	0.0	7%	0.2	6%
Total	42.8	9%	18.0	5%	13.0	6%

Figure 13: Proportion of businesses claiming HFA in 2010 by economic farm size (SLRs)



Source: Scheme data and June Survey 2010. SLRs are standard labour requirements.

Analysis suggests that these farms tend to be smaller farms with the average HFA area²⁵ claimed per business being lower (53 ha) than for those businesses for which a link could be made (140 ha). June Survey data confirm that these businesses tend to be much smaller in terms of economic size than those for which a link can be made (Figure 13).

Further checks suggest that 191 of the 1,152 businesses had made UTP claims but these were recorded as “invalid” by the RPA (Table 13).

Table 13: UTP rejection reasons

Rejection Reason	Number	2010 SDA	2010 SDA Moorland	2010 SDA Common land
Insufficient LFA land	3	64	440	0
No AE Agreement	181	5,113	1,668	948
Non-participation in UTP scheme	5	119	0	0
Other	2	19	17	13
	213	6,721	2,302	1,590

3.2.5 Environmental Stewardship option uptake

To enter Uplands ELS each farm must reach an individual points target based on the areas falling within distinct land types (Table 14). There are compulsory requirements (Table 15) that must be complied with on SDA land. These compulsory requirements earn points towards the target. The remaining points can be gained from any combination of ELS and Uplands ELS options, provided the option eligibility conditions are met. There are 3 compulsory requirements for SDA land. Options UX2 (upland grassland and arable requirements) or UX3 (moorland requirements) must be located on each SDA land parcel. UX1 must be located on all moorland parcels where there are 2 or more active graziers. Table 16 provides details of the uptake of each of these compulsory requirements by upland region for those live agreements on 4th July 2011.

²⁵ Excluding common land.

Table 14: Points per hectare required by land type for each Uplands ELS agreement

Land type	Points per hectare
SDA – parcels below the moorland line	62
SDA – parcels above the moorland line less than 15ha	62
SDA – parcels above the moorland line 15ha or more	23
Non SDA – parcels below the moorland line	30
Non SDA – parcels above the moorland line less than 15ha	30
Non SDA – parcels above the moorland line 15ha or more	8

Table 15: Compulsory requirements Uplands ELS

Code	Requirement	Points per hectare
UX1	Moorland commons and shared grazing requirements	5
UX2	Upland grassland and arable requirements	11
UX3	Moorland requirements	15

Table 16: Uptake of Uplands ELS compulsory requirements by upland region

Budget Region	UX1		UX2		UX3	
	No. of agreements	Area (Th. ha)	No. of agreements	Area (Th. ha)	No. of agreements	Area (Th. ha)
<i>No region available</i>	0	0	11	0.2	0	0
1.Northumberland and N. Pennines	31	54	1091	105	443	165
2.Lakes and Cumbrian Coast	32	42	546	34	182	58
3.Dales and Trough of Bowland	52	40	748	48	448	102
4.NorthYork Moors	14	25	273	13	121	34
5.Peaks	0	0	557	29	98	4
6.South Pennines	10	5	482	19	178	16
7.Welsh Borders	6	4	281	13	23	4
8.Exmoor, Dartmoor, Bodmin Moor	20	15	506	30	142	26
9.South West DA	0	0	22	1	2	0
	165	184	4,517	293	1,637	409

Note: Live agreements on 4th July 2011 only.

The additional point requirements for Uplands ELS agreements can be comprised of any combination of ELS and Uplands ELS options. Excluding the compulsory requirements, each Uplands ELS agreement includes, on average 1.4 Uplands ELS options and 4.5 ELS options. There is some regional variation (Table 17). Those farms classed as being mainly in the non-moorland parts of the South West (South West DA) had, on average, a relatively smaller number of Uplands ELS options (0.8). Those in the North York Moors region had, on average, the greatest number of Uplands ELS options per agreement (1.7).

Table 17: Average number of options per Uplands ELS agreement by upland region (excludes compulsory upland requirements UX1-UX3, EA1 and OU1)

Budget Region	Average no. of Uplands ELS options per agreement	Average no. of ELS options per agreement	Average no. of options per agreement
<i>No region available</i>	0.5	2.8	3.4
1.Northumberland and N. Pennines	1.4	5.0	6.5
2.Lakes and Cumbrian Coast	1.3	5.1	6.4
3.Dales and Trough of Bowland	1.6	4.4	6.1
4.NorthYork Moors	1.7	5.4	7.1
5.Peaks	1.5	3.5	4.9
6.South Pennines	1.2	3.4	4.6
7.Welsh Borders	1.2	4.7	5.9
8.Exmoor, Dartmoor, Bodmin Moor	1.3	4.0	5.3
9.South West DA	0.8	5.6	6.4
	1.4	4.5	5.9

Notes: Live agreements on 4th July 2011 only. EA1 is the compulsory Farm Environment Record required for ELS. OU1 is a mandatory requirement for all land parcels in organic stewardship agreements.

The average number of points per hectare was 43 (Table 18), with around half coming from Uplands ELS and half from ELS options. Farms in the Peak District had, on average, the greatest number of points per hectare (62). In comparison, the average was around 40 points per hectare in the four most northerly upland regions, whilst in the remaining regions the average was just over 50 points per hectare.

Table 18: Average number of points per hectare by upland region (a)

Budget Region	From compulsory Uplands ELS options	From non compulsory Uplands ELS options	From ELS options	Average points per ha from all options
<i>No region available</i>	11	7	52	70
1.Northumberland and N. Pennines	12	8	22	41
2.Lakes and Cumbrian Coast	12	7	22	41
3.Dales and Trough of Bowland	12	8	19	40
4.NorthYork Moors	12	7	19	38
5.Peaks	10	20	33	62
6.South Pennines	11	11	30	52
7.Welsh Borders	9	9	34	53
8.Exmoor, Dartmoor, Bodmin Moor	12	11	30	52
9.South West DA	6	9	44	58
	11	9	23	43

Note: Live agreements on 4th July 2011 only.

(a) The average has been taken over the total agreement area which may include land outside the SDA.

By far the most popular Uplands ELS options across England to date (Table 19) have been UL18 (Cattle grazing on upland grassland and moorland), UB11 (Stone wall protection and

maintenance on/above the moorland line) and UL20 (haymaking). Each of the other options had been taken up in fewer than 260 agreements.

Table 19: Uplands ELS option uptake for live agreements on 4th July 2011

Uplands ELS options (including organic equivalents)	No. of agreements	Length/ Area/ features
UB4 - Stone-faced hedgebank management (both sides) on/above the Moorland Line (ML)	22	22 km
UB5 - Stone-faced hedgebank management (one side) on/above the ML	18	19 km
UB11 - Stone wall protection and maintenance on/above the ML	1,138	2,635 km
UB12 - Earth bank management (both sides) on/above the ML	19	46 km
UB13 - Earth bank management (one side) on/above the ML	14	29 km
UB14 - Hedgerow restoration	127	5 km
UB15 - Stone-faced hedgebank restoration	21	0.4 km
UB16 - Earth bank restoration	23	0.9 km
UB17 - Stone wall restoration	251	8 km
UC5 - Sheep fencing around small woodlands	60	18 km
UC22/UCL22 - Woodland livestock exclusion	260	0.5 ha
UD12/UHD12 – Maintenance of remote weatherproof traditional farm buildings in remote locations	139	2.1 ha
UD13/UHD13 – Maintaining visibility of archaeological features on moorland	140	1534
UJ3 - Post and wire fencing along watercourses	70	25 km
UJ12 - Winter livestock removal next to streams, rivers and lakes	302	4,072 ha
UL17 - No supplementary feeding on moorland	187	37,599 ha
UL18/UHL18 - Cattle grazing on upland grassland and moorland	2,333	153,105 ha
UL20/UHL20 - Haymaking	960	10,713 ha
UL21 - No cutting strip within meadows	226	237 ha
UL22 - Management of enclosed rough grazing for birds	87	1,283 ha
UL23/UHL23 - Management of upland grassland for birds	131	3,523 ha

UL18 had been adopted within half of all Uplands ELS agreements covering some 153 thousand hectares within the SDA with some variation between regions²⁶; uptake ranges from 45-48% of agreements in the Welsh Borders, South Pennines and Dales & Bowland to 57-59% of agreements for those farms in Northumberland & North Pennines, South West DA and the Peaks. Cattle grazing encourages a diversity of sward structure²⁷, plant and invertebrate species, which in turn can be beneficial to a variety of ecological and historic features, in particular several important farmland bird species²⁸.

UL20 “aims to ensure the continuation, or re-introduction, of haymaking on fields which are, or were, cut for hay each year. Hay meadows generally have a greater diversity of wildflowers and associated wildlife, than fields cut for silage because they receive smaller

²⁶ A regional breakdown of option uptake can be found in Appendix 2.

²⁷ Although they may trample sensitive vegetation, cattle will browse as well as graze and are less selective in their grazing than sheep.

²⁸ Section U, Entry Level Stewardship – Third Edition February 2010, Natural England.

amounts of manure and inorganic fertiliser and are cut at a later stage of growth, enabling flowers to set seed.”³¹ This option had been taken within 21% of agreements covering some 11 thousand hectares of the SDA below the moorland line. A third of this area is within agreements in Northumberland and the North Pennines.

The most common ELS options within Uplands ELS agreements are EL2 (permanent in-bye SDA grassland with low inputs) and EB11 (stone wall protection and maintenance) which have each been adopted in more than 2,700 agreements (Table 20).

Table 20: Most popular ELS options taken as part of Uplands ELS agreement (a)

ELS option (Including organic equivalents)	No. of agreements	Length/ Area/ features
EL2 – Permanent in-bye grassland with low inputs: SDA land	2,793	86,221 ha
EB11 – Stone wall protection and maintenance	2,722	13,122 km
EL3 – In-bye pasture & meadows with very low inputs: SDA land	2,182	34,952 ha
ED1 – Maintenance of traditional farm buildings	1,145	40 ha
EK2 – Permanent grassland with low inputs: outside SDA & ML	1,128	19,544 ha
EB1 – Hedgerow management (on both sides of hedge)	1,126	1,872 km
ED5 – Management of archaeological features on grassland	1,084	27,395 ha
EB2 – Hedgerow management (on one side of hedge)	1,060	1,814 km
EC2 – Protection of in-field trees (grassland)	776	22,225 trees
EK5 – Mixed stocking	722	53,518 ha
EB3 – Enhanced hedgerow management	693	1,184 km
EK3 – Permanent grassland with very low inputs: outside SDA & ML	647	4,624 ha
EL4 – Manage rush pastures: SDA land & ML parcels under 15ha	644	9,251 ha
EL6 – Moorland and rough grazing: ML land only	581	286,030 ha
EL5 – Enclosed rough grazing: SDA land & ML parcels under 15ha	535	7,211 ha
EB6 – Ditch management	486	624 km
EC3 – Maintenance of woodland fences	467	988 km
EB5 – Stone faced hedge bank management on one side	136	183 km
OU1 – Organic management	131	20,660 ha
EB8 - Combined hedge and ditch management (incorporating EB1)	113	56 km
EB4 - Stone faced hedge bank management on both sides	107	253 km
EB10 - Combined hedge and ditch management (incorporating EB3)	100	42 km

(a) Option uptake in at least 100 agreements

Table 21 examines the contribution (in terms of proportion of points) that each option group contributes to agreements. The same data are shown graphically in Appendices 3 to 5.

Whilst there is little difference in the make-up of agreements between farm sizes, there are differences between farm types and regions. For instance, whilst the four most northerly regions have very similar profiles in the Peak District, UL18 contributes a greater proportion of points than in other regions. Dairy farms have a greater proportion of points from boundary options (EB) than other farm types; mixed farms have a greater proportion of

points from grassland options outside the SDA (EK) than other farm types; and as might be expected dairy and grazing livestock farms have a greater proportion of points from UL18 (grazing cattle).

Table 21: Proportion of points from option groupings by region, farm type and farm size

	UX1-3	UL18	UB	Other UELS	EA and OU	EB	EK	EL2 & EL3	Other EL	Other ELS
1. Northumberland and N. Pennines	28%	14%	2%	4%	9%	7%	8%	15%	7%	7%
2. Lakes and Cumbrian Coast	29%	11%	4%	3%	8%	11%	8%	14%	7%	6%
3. Dales and Trough of Bowland	31%	11%	6%	4%	8%	10%	7%	11%	7%	5%
4. North York Moors	32%	8%	3%	6%	9%	10%	6%	9%	10%	7%
5. Peaks	15%	22%	6%	5%	6%	15%	8%	17%	1%	6%
6. South Pennines	21%	12%	4%	5%	6%	12%	9%	19%	7%	4%
7. Welsh Borders	17%	10%	2%	5%	8%	14%	13%	19%	2%	10%
8. Exmoor, Dartmoor, Bodmin Moor	22%	14%	2%	4%	14%	12%	10%	17%	3%	3%
9. South West DA	10%	14%	0%	0%	14%	17%	20%	17%	1%	6%
Farm type										
No match to June 2010	47%	5%	2%	3%	11%	4%	4%	8%	13%	2%
Cereals	28%	6%	3%	2%	10%	11%	14%	7%	7%	13%
Dairy	14%	19%	4%	3%	8%	21%	11%	9%	2%	10%
Grazing livestock	25%	14%	4%	4%	8%	10%	8%	16%	6%	6%
Mixed	12%	8%	1%	2%	10%	11%	24%	12%	1%	18%
Other	31%	10%	2%	3%	11%	9%	9%	12%	8%	6%
Farm size (SLRS)										
Very small (spare time)	24%	11%	4%	5%	8%	10%	9%	8%	13%	5%
Very small (part time)	22%	11%	4%	5%	8%	12%	8%	18%	6%	6%
Small	21%	13%	4%	5%	7%	12%	9%	17%	6%	6%
Medium	26%	12%	4%	4%	8%	11%	8%	18%	5%	6%
Large	22%	16%	4%	4%	7%	11%	8%	14%	7%	7%
Very Large	25%	15%	3%	3%	10%	9%	10%	15%	5%	7%
Total	26%	13%	3%	4%	9%	10%	8%	14%	6%	6%

Notes: UB includes all options commencing UB etc. Figures for individual farm types and sizes are presented for those businesses where a link can be made with the June 2010 dataset. For comparison, the proportions are also shown for those businesses for which there was no direct link.

4. Discussion

This analysis provides an assessment of the uptake of Uplands ELS by July 2011, one year after its introduction, together with the 2011 Upland Transitional Payment. It assesses the characteristics of those farms currently within these schemes and of those yet to participate. A similar assessment was undertaken for the position in January 2011, after the first six months of Uplands ELS. The analysis contributes to the overall monitoring programme for Uplands ELS. In particular, separate research was undertaken in early 2011 by CCRI (due for publication shortly) which explored the reasons why farmers have yet to (or have chosen not to) apply for either Uplands ELS or the Transitional Payment. Further research is currently being undertaken by URS Scott Wilson to provide a baseline assessment and methodology suitable for monitoring the environmental impacts of the scheme.

The analysis highlights that the uptake of Uplands ELS remains ongoing and continuous. Between the six month assessment and July 2011, the number of agreements increased by 31% and the upland area covered by these agreements by 29%.

As at the six month assessment, the analysis suggests that there is some regional variation in the uptake of Uplands ELS and the 2011 UTP with the greatest combined uptake (in terms of area) in the Northumberland and North Pennine and Lake District regions and the lowest in the South Pennines. Those farms without current Uplands ELS agreements or a valid UTP claim were more likely to be very small, of robust farm types other than grazing livestock, to have a greater proportion of their farm business outside the SDA and less likely to have been in receipt of HFA compared to the group of farms within these schemes. They were also much less likely to cite changes in environmental payments as being a future concern, suggesting that these farms may be less reliant on scheme payments. These findings are supported by the CCRI research which confirmed that these non-participating farms tend to be small and more likely to derive most of their income from non-traditional farming activities. In particular the CCRI research highlighted that not all smallholders were aware of their eligibility for Uplands ELS and some suggested that Uplands ELS wasn't for them.

16% of the 2010 HFA recipients could not be linked to either the 2011 Uplands Transitional Payment, an Environmental Stewardship agreement or a Classic (ESA/CS) scheme agreement. It is possible that some of these are the result of differing business identifiers used for Environmental Stewardship and HFA claims, it is also possible that some of these businesses may no longer exist or may have changed hands²⁹. These businesses, covering 9% of the non-moorland SDA area claimed under HFA in 2010, 5% of the moorland SDA and 6% of the common land, tend to be much smaller than those for which a link can be found³⁰. Again, there are regional differences with no link being found for around 9-10% of 2010 HFA recipients in the three most northern regions and the South West Moors, rising to around 30% in the South Pennines and Peak District³¹. Again, these farms tend to be smaller farms with the average HFA area³² claimed per business being lower (53 ha) than for those businesses for which a link could be made (140 ha).

Analysis of option uptake within Uplands ELS suggests that, as was expected, the majority of non-compulsory points are derived from ELS rather than Uplands ELS options. At a

²⁹ For around 10% of those for which no link could be found, the business identifier was not found within the 2011 Single Payment Scheme dataset.

³⁰ The average 2010 HFA area claimed for the 1152 businesses for which no link could be made was 53 ha (excluding common land) compared to 140ha for those businesses for which a link could be made.

³¹ Accounting for around 4-6% of the non-moorland area claimed for the 2010 HFA for Northumberland & North Pennines, Lake District, Yorkshire Dales and Bowland and South West Moors regions and around 30% for the South Pennines and Peak District regions.

³² Excluding common land.

national level, the most common Uplands ELS options being adopted are UL18 (cattle grazing) in 50% of Uplands ELS agreements, UB11 (stone wall protection and maintenance on or above the moorland line) in 24% of agreements and UL20 (haymaking) in 21% of agreements. The remaining options have each been adopted in less than 7% of agreements. There are some regional differences; winter livestock removal next to streams, rivers and lakes is most popular in the North York Moors, South West Moors and Peak District (undertaken in around 10% of agreements) whilst maintenance of weatherproof farm buildings in remote locations is most popular in the Yorkshire Dales and Bowland region. The most popular ELS options contributing to Uplands ELS agreements include low and very low input grassland in the SDA, stone wall protection and maintenance and maintenance of traditional farm buildings. When the points contributing to agreements are considered as a whole, there are some differences between regions and farm types for the groups of options being chosen, but little difference between farm sizes. Agreements for dairy farms have a greater proportion of points from boundary options (EB) than other farm types; mixed farms have a greater proportion of points from grassland options outside the SDA (EK) than other farm types; and as might be expected, dairy and grazing livestock farms have a greater proportion of points from UL18 (grazing cattle).

This analysis has provided a high level assessment of Uplands ELS uptake, based on the available centrally held datasets. A concurrent survey³³ of farmers (undertaken by CCRI) took place in early 2011 and explored farmer attitudes to Uplands ELS including reasons for joining or not joining the scheme. Further monitoring of Uplands ELS is planned. A baseline environmental monitoring survey is being undertaken by URS Scott Wilson in order to assess the environmental impacts of the scheme³⁴ and further analysis is expected in 2012 to assess the socio-economic impact of Uplands ELS using Farm Business Survey data. Given the continued applications for Uplands ELS and increased eligibility as ESA and CS agreements expire³⁵ (or are terminated) it is intended that a further assessment of uptake will be undertaken 2 years after the start of Uplands ELS (in July 2012).

³³ To be published by Natural England.

³⁴ Publication expected in 2012.

³⁵ All ESA and CS agreements will have expired by 2014.

Appendix 1 - Upland regions defined by National Character Areas (NCAs)

Northumberland and North Pennines

NCA num	NCA name
2	NORTHUMBERLAND SANDSTONE HILLS
3	CHEVIOT FRINGE
4	CHEVIOTS
5	BORDER MOORS AND FORESTS
6	SOLWAY BASIN
9	EDEN VALLEY
10	NORTH PENNINES
12	MID NORTHUMBERLAND
11	TYNE GAP AND HADRIAN'S WALL
16	DURHAM COALFIELD PENNINE FRINGE

Lakes and Cumbrian Coast

NCA num	NCA name
7	WEST CUMBRIA COASTAL PLAIN
8	CUMBRIA HIGH FELLS
17	ORTON FELLS
18	HOWGILL FELLS
19	SOUTH CUMBRIA LOW FELLS
20	MORECAMBE BAY LIMESTONES

Dales and Bowland

NCA num	NCA name
21	YORKSHIRE DALES
22	PENNINE DALES FRINGE
33	BOWLAND FRINGE AND PENDLE HILL
34	BOWLAND FELLS

North York Moors

NCA num	NCA name
23	TEES LOWLANDS
25	NORTH YORKSHIRE MOORS AND CLEVELAND HILLS
24	VALE OF MOWBRAY
29	HOWARDIAN HILLS

South Pennines

NCA num	NCA name
35	LANCASHIRE VALLEYS
36	SOUTHERN PENNINES
54	MANCHESTER PENNINE FRINGE

Peaks

NCA num	NCA name
37	YORKSHIRE SOUTHERN PENNINE FRINGE
38	NOTTINGHAMSHIRE, DERBYSHIRE AND YORKSHIRE COALFIEL
50	DERBYSHIRE PEAK FRINGE AND LOWER DERWENT
51	DARK PEAK
52	WHITE PEAK
53	SOUTH WEST PEAK
64	POTTERIES AND CHURNET VALLEY
68	NEEDWOOD AND SOUTH DERBYSHIRE CLAYLANDS

Welsh Borders

NCA num	NCA name
61	SHROPSHIRE, CHESHIRE AND STAFFORDSHIRE PLAIN
63	OSWESTRY UPLANDS
65	SHROPSHIRE HILLS
98	CLUN AND NORTH WEST HEREFORDSHIRE HILLS
99	BLACK MOUNTAINS AND GOLDEN VALLEY
104	SOUTH HEREFORDSHIRE AND OVER SEVERN

Exmoor, Dartmoor and Bodmin Moor

NCA num	NCA name
144	QUANTOCK HILLS
145	EXMOOR
150	DARTMOOR
151	SOUTH DEVON
153	BODMIN MOOR

South West DA

NCA num	NCA name
148	DEVON REDLANDS
149	THE CULM
152	CORNISH KILLAS
154	HENSBARROW
155	CARNMENELLIS
156	WEST PENWITH
157	THE LIZARD

Other NCAs with some land in LFA but not included in analysis

NCA num	NCA name
1	NORTH NORTHUMBERLAND COASTAL PLAIN
14	TYNE AND WEAR LOWLANDS
31	MORECAMBE COAST AND LUNE ESTUARY
32	LANCASHIRE AND AMOUNDERNESS PLAIN
55	MANCHESTER CONURBATION

Appendix 2: Areas remaining under ESA and Countryside Stewardship agreements

Areas of ESA agreements by year of expiry and upland region

	Thousand hectares			
	2011	2012	2013	2014
Northumberland and North Pennines	-	6	1	1
Lakes and Cumbrian Coast	-	11	70	31
Dales and Bowland	-	13	2	1
North Yorkshire Moors	-	-	-	-
Peaks	-	2	36	13
South Pennines	-	0.1	1	-
Welsh Borders	-	1	10	9
South West Moors	--	5	23	17
South West DA	-	3	0.3	1
All upland regions	-	41	145	72

Source: Natural England, Defra. Data at August 2011.

Areas of CSS agreements in SDA by region and year of expiry

	Thousand hectares			
	2011	2012	2013	2014
Northumberland and North Pennines	17	11	14	10
Lakes and Cumbrian Coast	1	3	1	1
Dales and Bowland	14	8	6	9
North Yorkshire Moors	2	4	4	0.1
Peaks	2	2	2	1
South Pennines	2	1	2	2
Welsh Borders	1	1	0.3	1
South West Moors	2	2	1	3
South West DA	1	2	2	2
All upland regions	43	33	33	27

Source: Natural England, Defra. Data at August 2011.

Appendix 3: Numbers of Uplands ELS agreements with each option by region (where available)

Uplands ELS options (including organic equivalents)	N'land and N. Pennines	Lakes and Cumbrian Coast	Dales & Bowland	North York Moors	Peaks	South Pennines	Welsh Borders	SW Moors & DA
UB4 - Stone-faced hedgebank man'ment (both sides) on/above Moorland Line (ML)	0	2	0	0	0	1	0	19
UB5 - Stone-faced hedgebank man'ment (one side) on/above ML	3	3	1	1	0	0	1	9
UB11 - Stone wall prot'n and maint. on/above (ML)	226	184	409	90	70	141	2	16
UB12 - Earth bank man'ment (both sides) on/above ML	1	1	1	0	0	0	0	16
UB13 - Earth bank man'ment (one side) on/above ML	1	0	0	0	0	0	0	13
UB14 - Hedgerow restoration	13	3	4	4	7	2	56	33
UB15 - Stone-faced hedgebank restoration	1	3	0	0	0	0	4	13
UB16 - Earth bank restoration	0	2	0	0	0	1	0	19
UB17 - Stone wall restoration	54	24	43	20	77	28	1	3
UC5 - Sheep fencing around small woodlands	9	8	9	3	9	9	6	7
UC22 - Woodland livestock exclusion	46	32	42	27	38	18	29	27
UD12 - Maint. of remote weatherproof trad'l farm buildings	22	26	55	4	13	7	8	4
UD13 - Maint. visibility of archaeological features on moorland	38	10	62	10	4	7	1	8
UJ3 - Post and wire fencing along watercourses	6	4	8	13	7	16	7	9
UJ12 - Winter livestock removal next to streams, rivers and lakes	65	14	37	31	51	27	22	54
UL17 - No supplementary feeding on moorland	55	23	44	27	14	14	1	9
UL18 - Cattle grazing on upland grassland and moorland	640	278	362	139	337	193	111	271
UL20 - Haymaking	289	91	136	68	127	76	69	104
UL21 - No cutting strip within meadows	62	21	39	12	56	17	13	6
UL22 - Management of enclosed rough grazing for birds	22	1	26	10	7	11	1	9
UL23 - Management of upland grassland for birds	46	5	35	8	3	21	4	8

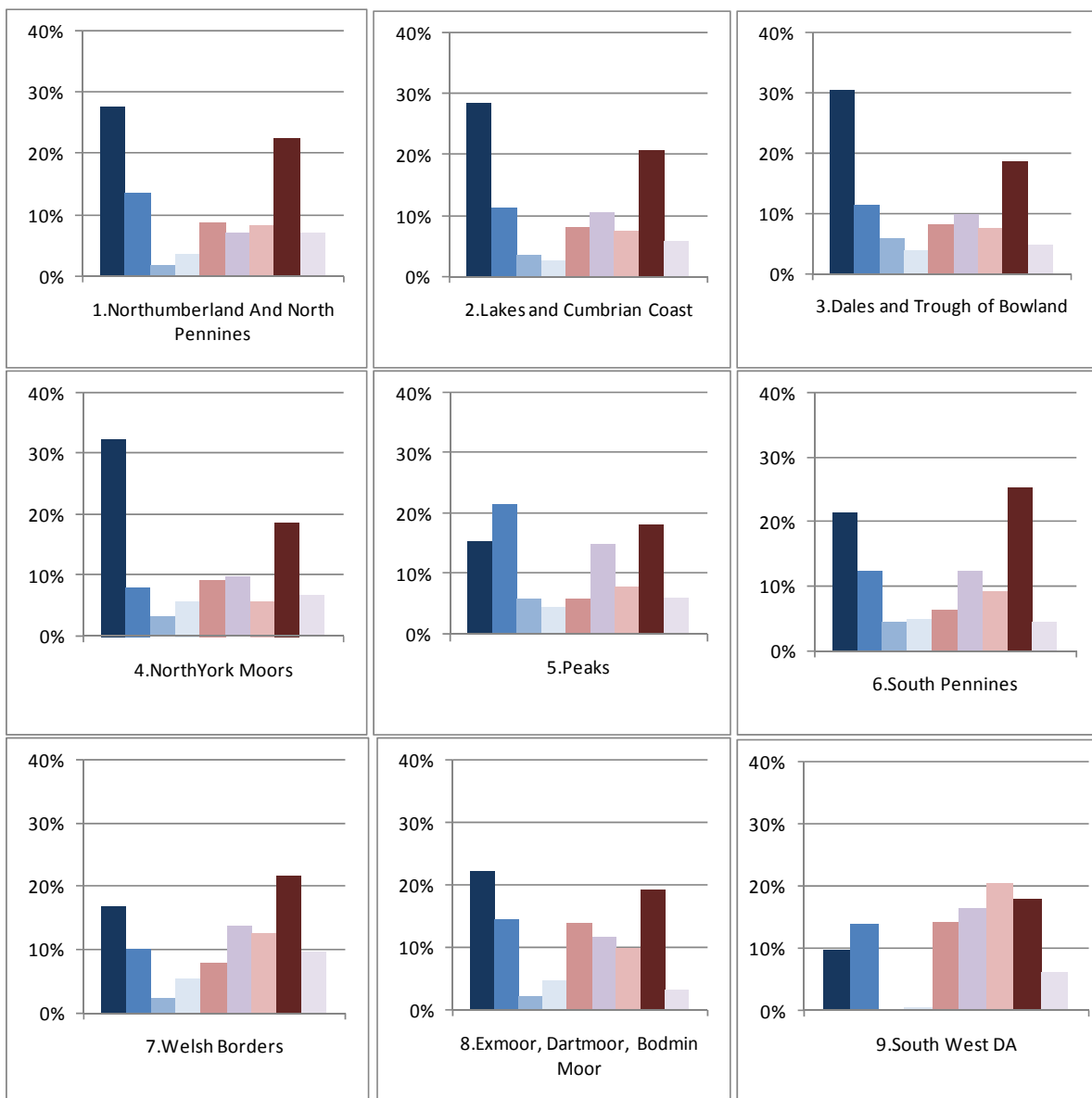
Appendix 4: Length/area of features within Uplands ELS by region (where available)

Uplands ELS options (including organic equivalents)	N'land and N. Pennines	Lakes and Cumbrian Coast	Dales & Bowland	North York Moors	Peaks	South Pennines	Welsh Borders	SW Moors & DA
UB4 - Stone-faced hedgebank man' ment (both sides) on/above Moorland Line (ML) (km)	0	3.3	0	0	0	0.3	0	18.3
UB5 - Stone-faced hedgebank man' ment (one side) on/above ML (km)	2.8	1.2	1.1	0.2	0	0	0.3	13.5
UB11 - Stone wall prot'n and maint. on/above (ML) (km)	534	420	1113	173	188	197	0.3	10.3
UB12 - Earth bank man' ment (both sides) on/above ML (km)	2.5	0.2	0.05	0	0	0	0	43.0
UB13 - Earth bank man' ment (one side) on/above ML (km)	1.1	0	0	0	0	0	0	27.9
UB14 - Hedgerow restoration (km)	0.4	0.3	0.2	0.1	0.2	0.2	2.1	1.9
UB15 - Stone-faced hedgebank restoration (km)	0.04	0.06	0	0	0	0	0.1	0.2
UB16 - Earth bank restoration (km)	0	0.1	0	0	0	0	0	0.9
UB17 - Stone wall restoration (km)	1.7	0.5	1.3	0.5	2.7	0.8	0.03	0.04
UC5 - Sheep fencing around small woodlands (km)	3.3	2.5	2.8	1.2	2.7	2.7	0.8	2.7
UC22 - Woodland livestock exclusion (ha)	105	52	83	51	82	29	50	50
UD12 - Maint. remote weatherproof trad'l farm buildings (m ²)	3,645	4,245	8,831	516	1,348	1,272	764	656
UD13 - Maint. visibility of arch. features on moorland (no.)	399	160	522	113	35	224	5	76
UJ3 - Post and wire fencing along watercourses (km)	1.9	1.2	2.7	5.2	2.4	3.7	2.6	4.8
UJ12 - Winter livestock removal next to streams, rivers and lakes (ha)	1,138	189	509	452	528	252	364	634
UL17 - No supplementary feeding on moorland (th. ha)	14	6	7	7	1	2	0	1
UL18 - Cattle grazing on upland grass and moorland (th. ha)	59	17	25	6	18	9	4	16
UL20 – Haymaking (th. ha)	3.8	0.9	1.3	0.8	0.9	0.7	0.7	1.5
UL21 - No cutting strip within meadows (ha)	65	20	63	10	57	13	6	4
UL22 - Management of enclosed rough grazing for birds (ha)	278	36	434	142	62	191	8	131
UL23 - Management of upland grassland for birds (th. ha)	1.9	0.1	0.8	0.2	0.04	0.2	0.03	0.2

Appendix 5: Option combinations by upland region

- UX1-3
- UL18
- UB*
- other UELS
- EA and OU
- EB*
- EK*
- EL*
- Other ELS

Each chart shows the proportion of points arising from each of the option groupings shown in the legend (left).

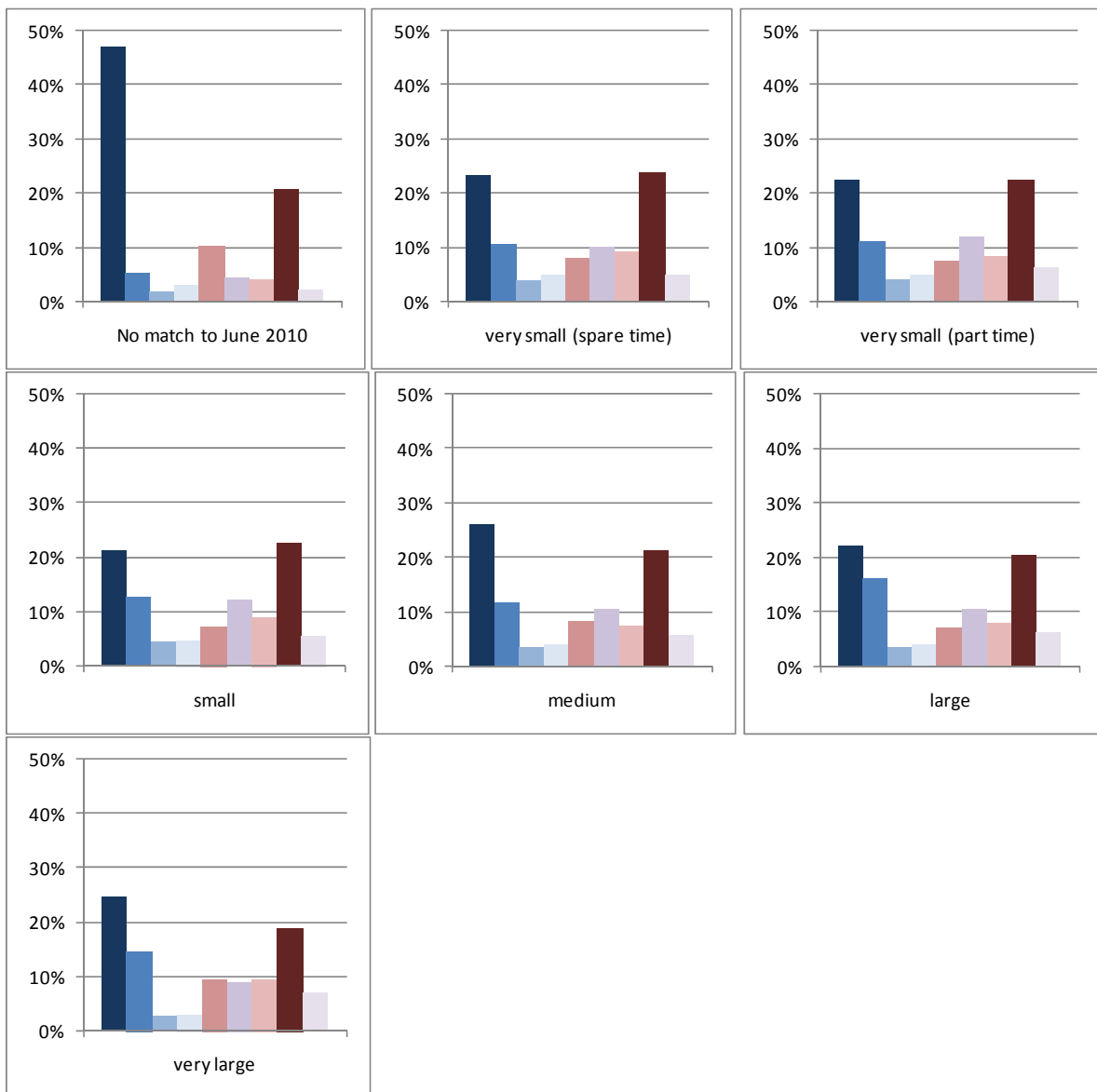


Notes: UB* includes all options beginning UB (Uplands ELS boundary options) etc.

Appendix 6: Option combinations by farm size

- UX1-3
- UL18
- UB*
- other UELS
- EA and OU
- EB*
- EK*
- EL*
- Other ELS

Each chart shows the proportion of points arising from each of the option groupings shown in the legend (left).

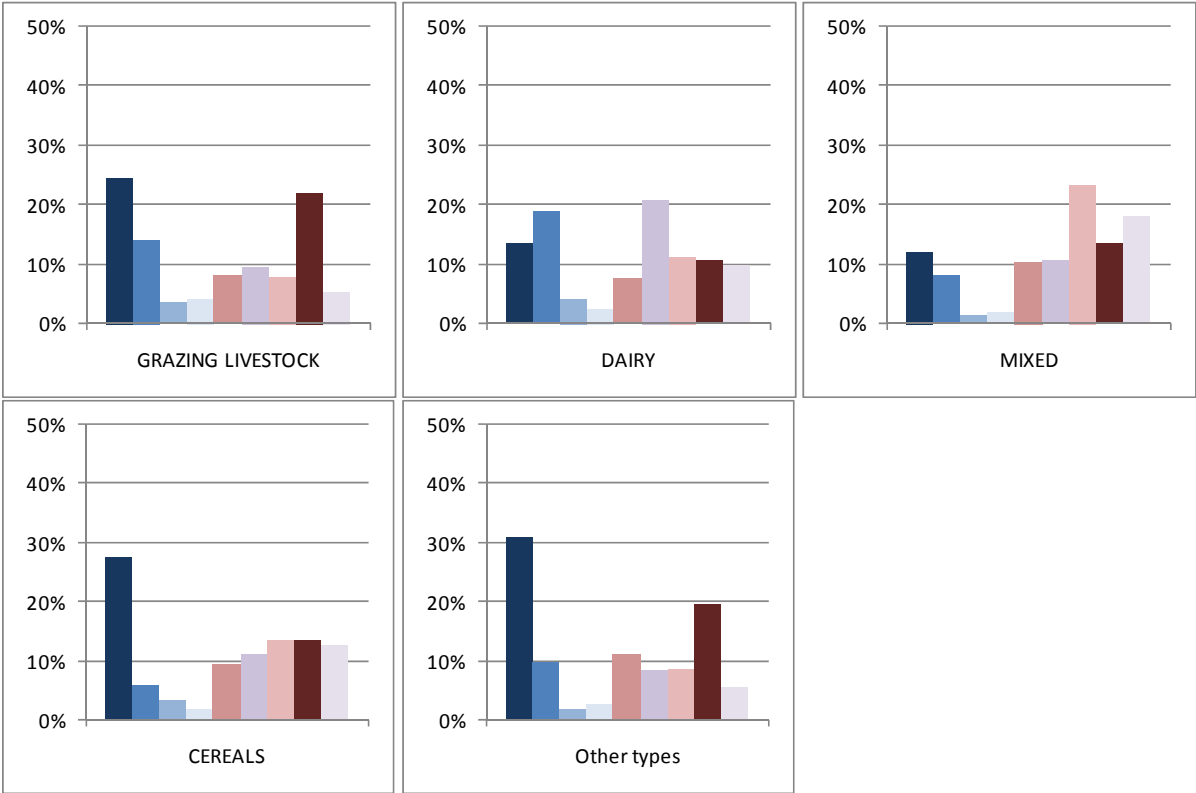


Notes: UB* includes all options beginning UB (Uplands ELS boundary options) etc.

Appendix 7: Option combinations by farm type

- UX1-3
- UL18
- UB*
- other UELS
- EA and OU
- EB*
- EK*
- EL*
- Other ELS

Each chart shows the proportion of points arising from each of the option groupings shown in the legend (left).



Notes: UB* includes all options beginning UB (Uplands ELS boundary options) etc.