

## **NEW FOREST NOTES - APRIL 2005**

### **New farming subsidies for the Forest**

Just before Easter, DEFRA published further details of how the Forest's farming subsidies will in future be paid. To say that the total package of support available to the Forest is complex is very much an understatement. It is extraordinarily difficult to understand and the latest release of information is so vague that it raises as many questions as it answers. On the other hand, the schemes offer valuable and well-deserved benefits to almost all practicing commoners and little short of riches for life (or as long as the subsidies persist) for a few fortunate individuals. It may be that DEFRA will in due course issue further explanations and guidance, and for the present these notes can give only a very broad-brush picture of what is planned.

There will be five tiers of subsidy available to New Forest commoners. Three of these are also available nationally, while two are specific to the New Forest. The first tier, known as the Verderers' Stewardship Scheme, is a headage subsidy paid on all eligible stock running on the Forest. There are conditions and regulations, but in general terms, the commoner gets about £60 per head per annum. The second tier is called the Single Farm Payment or Single Payment Scheme. It is in fact available to any land occupier - not just to commercial farmers - and is divided into two parts. The first part, which is paid only to farmers who formerly kept livestock, is called the "historic" payment and declines steadily until disappearing in 2012. At the same time, a "flat rate" payment (which is available to all, including horsekeepers, as outlined in my February Notes) will be steadily increasing in value. From this, land occupiers will receive about £200 per hectare per annum (subject to deductions). The money will be available to anyone who manages his land and stock to a reasonable standard.

The third tier of subsidy is called "Environmental Stewardship, Entry Level Scheme". It sounds complicated and it is. Each "farmer" will be paid for managing his holding to a slightly higher standard than that required by the Single Farm Payment, but still well within very modest requirements. He will be awarded points according to a pre-determined scale. For example, he will get so many points for protecting trees in his fields, so many points for protecting archaeological features etc. He must average 30 points per hectare across all land entered to qualify and will then be able to collect £30 (or thereabouts) per hectare per annum to reward him for the work he has done. I estimate that all but a very few New Forest commoners should, with minimal effort, qualify for this payment. Actually securing it is another matter, because that involves a good deal of intimidating paperwork.

Next tier in the subsidy scheme is "Environmental Stewardship, Higher Level Scheme". Here the farmer has to begin working hard for (presumably) even more valuable rewards. A very high standard of environmental management will be required of him and I think it improbable that many working commoners will be attracted by this scheme. Certainly it is not one which would fit comfortably into my own small-scale farming operations. Exactly how much money is on offer

does not appear to have been made clear so far.

We now come to tier five of the new subsidy regime (specific to the New Forest) and here things really begin to get interesting. It is by far the most valuable element of the entire package and, in my view, will give long overdue recognition to the invaluable services provided to the New Forest by small commoners. It is also likely to generate some controversy because of the very large sums which will be available to a few individuals, because those who have purchased rights with their land but have not exercised them will receive nothing and because active commoners elsewhere in the country may be (understandably) envious.

Everywhere else in the country, commoners will receive an addition to their single farm payments which reflect their share in the value of the common, as represented by the rights they possess. The rights belong to them and they will be paid accordingly, whether or not they exercise those rights. In the New Forest it will be very different. Commoners will get nothing for their rights, whether they have an estate of two thousand acres or a paddock of half an acre. However, if they were actually exercising rights in the twelve months immediately preceding 21<sup>st</sup> March, they will be awarded what is known as “an eligible hectare” for each “livestock unit” depastured. It is rather difficult to see how the process could have been made more complicated, but I suppose that is just about possible. A livestock unit is equal to one cow, while a New Forest pony is to constitute 0.6 of a livestock unit. That charming entity, the “eligible hectare”, is in practice an entitlement to receive money rising to about £200 per annum in 2012 - never mind the theory behind it. It will apparently not be necessary for the commoner to have possessed sufficient rights to depasture the relevant numbers of stock (beyond a bare qualifying fragment of land): he will be paid anyhow. After 21<sup>st</sup> March 2005, he won't, on the information so far released, even need any animals. To take an extreme example and one relevant to only a handful of individuals, suppose a farmer turned out 100 cows and 50 ponies on 20<sup>th</sup> March and sold the lot on 22<sup>nd</sup>. He claims 130 eligible hectares in respect of the animals he once owned and receives an annual payment (full rate from 2012) of £26,000 - presumably sent direct his bank in Bermuda by the Rural Payments Agency ! I find that hard to accept as a justifiable use of public funds. On the other hand, the average small commoner's receipts will be modest and entirely appropriate to the services provided.

This is best illustrated by an example which reflects all tiers of subsidy. Suppose a commoner has a holding of 15 ha (37 acres) and turned out twenty cows and 15 ponies prior to 21<sup>st</sup> March. From the Verderers' Stewardship Scheme he will receive about £2,100 per annum, from the Single Farm Payment (eventually) a further £3,000 in respect of his holding, then £450 pa more if he goes for Entry Level Stewardship. With his 29 livestock units prior to 21<sup>st</sup> March, he will then eventually be paid another £5,800 pa. Thus his gross subsidy will be in the region of £11,300 pa to support a little herd of 35 animals and a holding of 37 acres. He may make a few pounds from keeping cows and lose a few from the ponies, but the subsidy should be sufficient to

keep his holding buoyant and to ensure that the Forest continues to benefit from the grazing activities of his stock. His income will still be far below that of his neighbours working in industry or in an office, but it will be a remarkable improvement on past years and in any case the Forest community has never become addicted to an extravagant lifestyle.

### **Death of the New Forest Committee**

By convention, obituaries concentrate upon the achievements of the deceased and gloss over their shortcomings, but where the corpse is that of a public body, perhaps honesty need not be made subservient. Last month saw the death of the New Forest Committee after 15 years, because it had been made redundant by the establishment of the New Forest Park. The Committee was a sort of discussion group in which representatives of various councils and other bodies met to talk about the Forest, to run sub-committees, seminars, and conferences. It published reports and plans for the Forest, including what were described as “strategy documents” intended to guide and co-ordinate the actions of management. Management – that is effective management of the Forest – ignored them. The Committee published huge bundles of minutes, often on highly coloured paper, but I suspect few people read them. At the start I and some of my colleagues on the Verderers’ Court made valiant attempts to study the Committee’s minutes, but at least a decade ago we gave up the unprofitable struggle. The Committee somehow staggered on from year to year because no-one had the courage to say that the Emperor was entirely naked, or in other words that it was achieving little and should be shut down. What it cost the council tax payers over the years I do not know. Towards the end it was running at not far short of quarter of a million pounds a year.

Of course the story was not entirely negative. The Committee did once finance an invaluable study of how the Forest was being degraded by human activity of all sorts, roads, traffic, aircraft noise and so on, but actually facing and then tackling the challenges revealed would have been far too controversial and politically incorrect, so the “Tranquil Areas” study sank without trace. Staff members, working with the New Forest District Council, assisted with the administration of “Leader Plus” funding – a source of small grants which helped with some useful Forest projects like the building of livestock pounds. As to the staff themselves, I never found them other than unfailingly helpful, friendly and polite. I am sure the Forest will be delighted that they have all been employed by the park authority and will have the opportunity to continue doing very much what they have always done. On the other hand, I don’t expect there will be many flowers left on the grave of their deceased employer.

### **A strange set of values**

The New Forest has not far short of a millennium of history and the newly-established park authority has distilled from this (on its website) seven “key dates”. As one would expect, the supposed date of the founding of the Forest (1079) is the first of these and I would certainly not quarrel with the inclusion of the second (1877) when the Forest was saved from Inclosure, but

what are the other key events in the long history of the Forest – according to the National Park ? Do they include the collapse of the Forest Law in 1851, combined with the last major push of inclosure; the coming of tourism with the construction of the railway after 1845; or the appropriation of nearly a quarter of the Open Forest for war purposes in World War II ? Perhaps the Park sees as important the first modern wave of Inclosure after 1700, or maybe the building of the great royal hunting lodges in the 14<sup>th</sup> Century ? Surely there must be a place for the founding of Beaulieu Abbey in 1204 ? Not at all: these are clearly irrelevancies. What really matters is evidently the founding of the New Forest Committee in 1990, the establishment of a now defunct planning boundary in 1992, the signing of a politically-motivated park designation in 2002 and the birth of the park itself in 2005. I doubt if the propaganda department of a 1950s communist state could have done a better job of revaluing history.

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