



02 March 2010

Dear Minister,

Inquiry into Glastir

The Rural Development Sub-committee decided to undertake a short inquiry into Glastir after concerns regarding the new scheme were brought to the attention of Committee Members by different stakeholders. My purpose in writing to you today is to inform you of the inquiry's findings.

Evidence

As part of the inquiry, the Committee heard oral evidence on 16 February 2010 from the Countryside Council for Wales, Wales Environment Link, The Farm and Wildlife Advisory Group, NFU Cymru, Farmers Union of Wales and the Country Land and Business Association. The Welsh Association of National Parks Authorities and the National Trust made written submissions to the Committee.

The Committee also visited two farms in the Dolgellau area to hear at first hand the views of farmers and land managers.

Conclusions

Lack of information was a recurring theme throughout the evidence; it is crucial that the Welsh Government provide proper information to farmers on the impact of Glastir, how it will work and the transitional arrangements that will be provided.

As a result of its inquiry, it is clear to the Committee that much uncertainty remains among stakeholders regarding the new scheme and how it is to be implemented. The Sub-committee calls on the Welsh Government to fully address the issues outlined below before introducing the new scheme. If this cannot be achieved then the Welsh Government should consider reviewing the timetable for introducing the scheme.

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1) Accessibility

The Committee heard evidence that the initial results from the point system trials for Glastir had shown that many farmers found it difficult to attain the necessary 28 points per hectare over the whole farm to access the scheme. The Committee heard that particular difficulties are faced by farmers who were part of the Tir Gofal scheme and who have therefore already carried out much of the work that would earn them points under Glastir. The Committee heard that this will create particular problems for Tir Mynydd farmers who already have Tir Gofal agreements, and for dairy farmers.

The scheme must be accessible to a wide range of farmers if it to achieve its objectives, and the Sub-committee urges the Welsh Government to adapt the points system to make the scheme more accessible.

2) Resources and Capacity

The Committee is concerned that there is no provision in the current proposals for project officer support for the entry-level Glastir scheme. Evidence presented to the Committee expressed grave concern at this situation, especially as entering the Glastir scheme will require a culture change for many farmers formerly in Tir Mynydd but not Tir Gofal. The Committee found a consensus that either project officer support should be available directly from the Welsh Government, or that Glastir payments should include an element that allowed farmers to purchase their own advice externally.

The Committee believes that in the absence of such support, there is a danger that participants will opt for the prescriptions which are cheapest or easiest to implement rather than those which are most appropriate and environmentally beneficial. Furthermore, the lack of project officer support at the application stage is likely to lead to increased pressure on Welsh Government divisional offices as they have to deal with an increased level of inquiries and incorrectly completed forms.

The Committee urges the Welsh Government to review its decision not to provide project officer support for the entry-level scheme and to consider whether its offices have the capacity to deal with increased demand for support from farmers that may result.

3) Dual land use

Concerns were expressed to the Committee regarding the Welsh Government's announcement in November 2009 that it would no longer be possible for two different people to claim under the Single Payment Scheme and the Rural Development Scheme for the same piece of land. As well as running contrary to established landlord/tenant relationships, the problem is

compounded by the requirement for there to be a tenancy agreement covering the five-year life of the Glastir agreement.

Whilst the Committee appreciates that the Welsh Government's decision stems from a European Court of Auditors judgment, we understand that both DEFRA and the Scottish Government have decided to continue with the practice of dual land use within their own agri-environment schemes.

We would like clarity from the Welsh Government about why they have decided to end dual land use payments in Wales. The Committee would also urge the Welsh Government to carry out an assessment on the impact of the change on landowners and tenants in Wales, and the effect it is likely to have on the number of farmers applying to join the scheme.

4) Capital Works

Evidence presented to the Committee expressed reservations about the absence of a capital works element to the entry-level scheme, and the knock-on effect this could have on the rural economy. Many young people especially have secured an income from carrying out work such as dry-stone walling and hedge laying funded by Tir Gofal, and the lack of a capital works element endangers these jobs.

The Glastir proposals mean any capital costs incurred by farmers will have to be paid for using the annual management payments, and as the work required is often costly, many farmers may decide not to enter. **The Welsh Government should therefore provide capital grants to help with installation costs for works for all levels of Glastir, and not just the higher level as currently proposed.**

The current lack of information regarding the areas to be covered by the capital element of the higher-level scheme and the fact that the first payments will not be made until 2013 constitute a further threat to jobs.

The Committee would welcome any further information from the Welsh Government on any economic analysis that has been completed on the impact of the absence of a capital works programme in the entry level scheme on the rural economy. The Committee would also urge the Welsh Government to share any such analysis with stakeholders to help allay their fears.

5) Common Land

The Committee had already heard evidence of the particular difficulties involved in implementing agri-environment and land management agreements on common land as part of its inquiry into the future of the uplands.

This issue was reiterated again during the Glastir inquiry, with many stakeholders questioning whether the Welsh Government's proposal to

administer payments through graziers associations would work. This is due to the fact that one or two graziers will still be able to object to the introduction of an agri-environment scheme on a common even if the vast majority of other graziers are in support of the introduction of such a scheme. This has serious implications for the management of commons, which include many of the most environmentally sensitive sites in Wales.

Stakeholders were concerned that individual graziers in upland areas who have previously received direct payments under Tir Mynydd will lose out financially in areas where no graziers association is established prior to the introduction of Glastir.

The Committee believes that the Welsh Government should review its proposal to depend on Graziers Associations for the implementation of Glastir on common land, and that greater success would be ensured through the full implementation of the Commons Act 2006.

I look forward to your response to the Sub-committee's findings, and trust you will take our concerns on board as you finalise the details of the scheme.

Yours sincerely,

A handwritten signature in black ink, reading "Rhodri Glyn Thomas". The signature is written in a cursive style with a large initial 'R'.

Rhodri Glyn Thomas AM
Chair of the Rural Development Sub-committee