



## Less Favoured Areas Support Scheme LFASS 2006

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# EXPLANATORY NOTES

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## INTRODUCTION

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- As in previous years there is no separate claim form for Less Favoured Areas Support Scheme (LFASS) 2006. You should already have claimed under the LFASS 2006 on your Single Application Form (SAF) 2005. These Explanatory Notes describe the arrangements for the 2006 scheme which have recently been cleared by the EU. **Please keep them safe – you will need to refer to them when we send you your payment letter.** You should read them carefully together with the IACS 2005 Explanatory Booklet IACS (1) 2005. Paragraphs 33 to 40 of the IACS (1) relate to LFASS 2006.
- For more information contact your local SEERAD area office. Addresses and telephone numbers are listed at Annex F.
- LFASS 2006 is partially funded by the European Community and is provided for in the Rural Development Regulation – Council Regulation (EC) No. 1257/1999.

## IMPORTANT POINTS TO NOTE

Arrangements for LFASS 2006, including payment rates, are broadly the same as in 2005. **However**, highlighted below **are some important points to note**. You will find more details about them in the following pages.

- **Historic Livestock information:** From 2005, the Single Farm Payment replaced the range of production subsidies previously paid under the Common Agricultural Policy. As a result, the previous means of gathering livestock information for LFASS (namely, from Sheep Annual Premium Scheme (SAPS) and Suckler Cow Premium Scheme (SCPS) claims) will no longer be available. To address this, the Commission has agreed to let us use SCPS/SAPS 2004 animal numbers for LFASS 2006.
- **Enterprise Mix changes in 2005:** If the percentage of livestock units you maintained as cattle in 2005 indicates that you would not, on that basis, qualify for the Enterprise Mix Enhancement or qualify for a different level of enhancement, you must notify us – this is explained more fully in paragraph 8.
- **Maintaining an Eligible Activity on a Continuous Basis:** Although we will base livestock units on the historic 2004 animal data gathered for LFASS 2005, you must maintain one of the eligible activities outlined in paragraph 2 on your eligible land for the majority of the **2005** calendar year, i.e. 183 days or longer, to qualify for payment of LFASS 2006. **If you claimed LFASS 2006 but have not maintained an eligible activity for the majority of 2005 you must notify your local SEERAD area office immediately.** This is explained more fully in paragraph 2.3.

### Support for the Less Favoured Areas from 2007

A new Scottish Rural Development Plan is being developed for the period 2007-2013. Stakeholder views are helping to prioritise what is best for Scotland and what will achieve the maximum public benefits. Support for Less Favoured Areas (LFA) is part of this process.

A formal consultation will be launched early in 2006 and the results will help formulate the final proposal. The new plan will be subject to European Commission approval. For further details see <http://www.scotland.gov.uk/Topics/Rural/RDR/Intro>

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# **Less Favoured Areas Support Scheme**

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## **1. About the Less Favoured Areas Support Scheme (LFASS)**

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### **Legal Basis of the Scheme**

1.1 The Rural Development Regulation EC 1257/1999 emerged from the Agenda 2000 Common Agricultural Policy (CAP) Reforms. It allowed member states to introduce systems of support in the Less Favoured Areas to replace the Hill Livestock Compensatory Allowance Scheme (HLCA). The EC Regulation did not allow LFA support to operate on a headage basis beyond 2000, and required payment after that to be made on an area basis.

### **Support Arrangements**

1.2 The four main elements of the 2006 scheme are:

#### **Grazing Category: Eligible Agricultural Activity in 2001**

Grazing categories introduced in 2003, were allocated to land based on stocking densities calculated using the eligible land and agricultural activity of the business which farmed it in 2001, the reference year. We will again use this information to determine hectares eligible for payment under LFASS 2006 (see paragraph 11.4.1 of these Notes).

#### **Environmental Elements**

The Scheme includes three significant environmental measures. As before:

- to qualify under LFASS you must comply with SEERAD's Good Farming Practice Guidelines at Annex C of these Notes.
- we will enhance the number of eligible hectares for those producers with a clear bias towards cattle. For LFASS 2006, this will apply to you if you had 10% or more of your LFASS eligible livestock units as eligible cattle in 2004 (see paragraphs 8 and 11.5 of these Notes).
- to qualify for payment, you **must** also comply with the five environmental controls outlined at Annex D.

#### **Payment Rate**

The payment rates fixed for LFASS 2005 will be rolled forward for LFASS 2006. This means that we will continue to use: the fragility markers introduced under the 2003 scheme; the location of your main farm; and the grazing category of your land, to determine which rate(s) apply to your LFASS 2006 entitlement. The payment rates are detailed in the table at paragraph 11.6 of these Notes and you will find the parish list showing fragility markers at Annex E.

#### **Minimum Payment**

Under LFASS 2006, eligible producers will receive no less than £350. This means that if your area payment is less than £350, we will add on an additional sum to bring the total due to £350 (see paragraph 11.8 of these Notes).

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## **2. Your Claim**

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2.1 There is no separate claim form for LFASS 2006. You should have made your claim in your SAF 2005 at question 18. Section 6 of the base form includes declarations and undertakings specific to LFASS 2006. To be eligible under LFASS 2006 you must meet certain conditions. You must:

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- be at least 16 years of age;
- farm at least 3 hectares of eligible forage land\* in the Scottish Less Favoured Areas (LFA); and have submitted a S.A.F. 2005, duly completed and signed;

\*eligible forage land is:

- that which has been accepted by the Department as either Severely Disadvantaged or Disadvantaged within the designated Less Favoured Areas (LFA) in Scotland. You can view maps showing the Scottish LFA boundary at any SEERAD area office; and
- which meets the definition of forage area for the purposes of IACS 2005 (see paragraphs 33-36 of the Explanatory Booklet IACS(1) 2005.

2.2 You must also carry out an eligible activity during the 2005 calendar year, that is to maintain:

- a herd of suckler cows forming part of a regular breeding herd for the rearing of calves for meat;
- a flock of sheep comprising eligible ewes as defined in the Sheep Annual Premium Scheme Regulations (2529/2001);
- a breeding herd of farmed deer for meat production;
- a herd of goats, llamas or alpacas for fibre production; and/or
- A dairy herd in the ring-fenced milk quota areas as defined in the LFASS regulations, i.e.:
  - the islands of Shetland;
  - the islands of Orkney;
  - the islands of Islay, Jura, Arran, Bute, Great Cumbrae, Little Cumbrae and the Kintyre Peninsula south of Tarbert;
  - the islands in the Outer Hebrides and the Inner Hebrides, not already listed; or
  - part of the Cowal Peninsula.

2.3 You must maintain your eligible activity for the majority of the calendar year (2005), i.e. at least 183 days. These need not be consecutive days – breaks in eligible activity are acceptable provided the periods of activity in 2005 amount to at least 183 days in total. To meet the eligible activity requirement, numbers of animals maintained must be sufficient to constitute a flock or herd **but see also paragraphs 8 and 11.5 which explain stocking requirements in relation to the enterprise mix.**

2.4 We will expect you to maintain your stocking density at a level that reflects the natural disadvantage of your land to avoid either under or over-grazing. Paragraphs 11.3.1 and 11.3.2 tell you more about the minimum and maximum stocking density limits that apply. If you breach either limit we will restrict your eligible hectares.

2.5 To comply with Article 14(2) of Regulation 1257/1999, you must undertake to farm in the Less Favoured Areas for 5 years from the first payment of a compensatory allowance, or support payment including the Hill Livestock Compensatory Allowance Scheme.

2.6 You must meet the requirements of the Good Farming Practice Guidelines set out at Annex C of these Notes.

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2.7 You must adhere to the environmental controls set out at Annex D of these Notes.

2.8 You must adhere to the requirements of Article 14 (3) of Regulation 1257/1999 on the non-use of prohibited substances (namely substances having a hormonal or thyrostatic action) and of beta-agonists.

2.9 You must allow SEERAD and EC staff or their representatives, access to land, animals and records at any reasonable time for the purpose of establishing compliance with the terms of the scheme. You will also be required to co-operate with such inspections.

**Any breach of any of these obligations may lead to the loss of all or part of your entitlement to LFASS.**

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### **3. What if my IACS and/or land is outwith Scotland**

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3.1 Each of the UK Agricultural Departments has its own LFA support scheme so SEERAD can only make payments for LFASS eligible LFA land in Scotland. For LFASS 2006:

- **Producers whose main farm is in Scotland:** if you submitted your SAF 2005/LFASS 2006 claim in Scotland, we will base your LFASS 2006 entitlement on your Scottish land only;
- **Producers based elsewhere:** if you submitted a single application to a UK Agricultural Department other than SEERAD, and have Scottish land, you should also have completed a SAF 2005/LFASS 2006, including Scottish field data sheets, which you should have submitted to either DEFRA, DARDNI or NAWAD, as appropriate. Those agricultural departments will forward the Scottish data to SEERAD for processing, which will include any claim you made for LFASS 2006;

3.2 In either instance:

- If you **were** paid LFASS 2005, we will use the livestock data that underpinned this payment to calculate your entitlement under LFASS 2006, unless there has been a significant change to your cattle percentage in 2005, that may affect your level of Enterprise Mix Enhancement (see paragraph 8 of the Notes);
- If you **were not** paid LFASS 2005, we hold no historic livestock information and will write to you requesting further information (see paragraph 10 of these Notes).

You should direct enquiries about non-Scottish LFA support arrangements to the UK Agricultural Department of the country in which your non-Scottish land is situated.

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### **4. Common and Shared Grazings; and Seasonal and Short Term Lets**

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4.1 We will base your LFASS 2006 payment on the eligible forage land in the Scottish LFA, as declared in your SAF 2005. This will include short-term or seasonal lets, common and shared grazings. The general Integrated Administration and Control System (IACS) rules will apply. Land should be available throughout the year (or for a lesser period providing qualifying criteria are met). Any forage land used on a seasonal basis must be close enough to the main holding to make its use an economic proposition.

4.2 If you use any land under a lease arrangement (ie seasonal lets), you will be expected to demonstrate your right to use such land. You must make available documentation to support the terms of the leasing arrangement, for examination at any inspection, or on request.

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### 5. Forage Transfer Arrangements

5.1 If you took over the **whole** of a holding declared by another farmer in 2005, it **may** be possible on written application, for the forage area on the SAF 2005 to be transferred to you for LFASS purposes.

5.2 LFASS 2006 rests on the established IACS forage transfer arrangements (full details of which can be obtained from your local SEERAD area office). This means we can only consider a forage transfer if you took over **all** of the land **after** the outgoing farmer submitted his SAF 2005, but **before** he fulfilled all of the LFASS eligibility conditions. The IACS rules also allow SEERAD to pay the outgoing farmer in certain circumstances. For LFASS purposes, a decision would generally (but not automatically) be made in favour of the producer who farmed the land for more than 183 days, that is, the majority of the LFASS 2006 scheme year (i.e. the 2005 calendar year).

5.3 The IACS rules underpin the forage transfer arrangements for all the IACS schemes. You should be aware, however, that the interaction between the detailed conditions of the different schemes, and the forage transfer rules, means that there may be different outcomes from scheme to scheme.

### 6. Calculation of Livestock Units

6. Livestock unit **values** are shown in detail at Annex A of these Notes. The animals we will use when calculating your livestock units are as follows:

- for SAPS claimants we will take the **greater of either**: the ewes and gimmers declared in the flock composition part of the SAPS claim (excluding hogs); **or** the total animals claimed within quota (animals claimed within quota may **include** hogs);
- for SCPS claimants we will take the **greater of either**: the cows (but not heifers) declared in the herd composition part of the SCPS claim; **or** the total animals claimed within quota (animals claimed within quota may include heifers);
- for sheep and/or suckler cow producers **ineligible to claim under the premium schemes**; we will take breeding females maintained throughout the scheme year and declared separately on three key dates (**excluding** heifers);
- for deer, goat, llama and alpaca producers, we will take breeding females maintained throughout the scheme year and declared separately on three key dates; and
- for dairy farmers, we will take livestock units based on litres of milk quota as at 31 March.

These livestock definitions will apply to:

- the stocking density we will use to assess whether your eligible land will be restricted this year for the purposes of the **minimum and maximum stocking densities** (on the basis of eligible land in 2005 and activity in 2004 – paragraph 11.3 of these Notes refers);
- the stocking density calculation we used to assess your **grazing category** (on the basis of eligible land and activity in the reference year of 2001 – paragraph 11.4.1 of these Notes refers);
- and the livestock units we will use to assess your **enterprise mix**, if appropriate (paragraphs 8 and 11.5 refer).

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### 7. Stocking Density

7.1 As in previous years, SEERAD will use stocking densities to meet EU regulatory requirements to avoid over-compensation and to ensure that claimants farm in a sustainable manner. We will calculate your LFASS 2006 stocking density using your eligible forage area (see paragraph 2.1 of these Notes) declared in your SAF 2005; 2004 animal numbers; and, where appropriate, 2004 milk quota information (paragraph 6 refers). An example of the calculation we will use, and the conversion rates for each animal type are shown at Annex A of these Notes. Maximum and Minimum stocking limits are described in more detail at paragraph 11.3.

7.2 Paragraph 6 of these Notes describes in detail the animal information we will use to calculate your livestock units. We will include all your livestock units in your stocking density calculation, unless you operate a dairy enterprise outwith the LFASS ring-fence milk quota area, where we will use the milk quota livestock units to assess the amount of non-eligible land being used for the dairy enterprise.

### 8. Environmental Measure: Enterprise Mix

8.1 LFASS rewards the environmental and socio-economical benefits of maintaining cattle in the LFA. As before, for LFASS 2006 there are two levels of enhancement that may be applied to your eligible hectares. Eligibility for these is determined by the percentage of livestock units\* maintained as eligible cattle in 2004. Please note that, if you have a dairy enterprise **within** the LFASS ring-fence milk quota areas described in paragraph 2, eligible cattle will include your dairy quota livestock units.

*\*calculated in accordance with paragraph 6 of these Notes*

8.2 Unless the circumstances outlined in paragraphs 8.3 and 8.4 apply to you, your enterprise mix hectare multiplier will be the same for LFASS 2006 as that assessed for your LFASS 2005 payment on the basis of the 2004 eligible livestock units. You can find information about your eligible livestock units and enterprise mix multiplier in your LFASS 2005 payment letter sent to you earlier this year. The two levels of enhancement are set out in the table below:

ENTERPRISE MIX	HECTARE MULTIPLIER
If 50% or more livestock units (lus) are cattle**	1.70
If 10% or more, but less than 50% of lus are cattle**	1.35

*\*\*i.e. suckler cows; if appropriate, heifers; and, within the LFASS ring-fence milk quota areas, dairy livestock units.*

8.3 If you claimed LFASS 2006 for the first time in your SAF 2005, or for some other reason were not paid LFASS 2005, we have no appropriate historic livestock data for you. We will write to you shortly to ask you to declare livestock numbers held throughout the 2005 calendar year. We explain how we will gather the information we require, in paragraph 10.

8.4 Farmers whose mix of livestock in 2005 changed may find that the percentage of livestock units they maintained as cattle throughout the calendar year **2005** indicates that a different hectare multiplier should apply to their LFASS 2006 payment calculation. If you think this applies to you, **you must notify your local SEERAD area office in writing before 20 January 2006.**

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8.5 This might affect you if, for example;

- you did not previously qualify for the environmental measure;
- did qualify but now do not; or
- now qualify for a different level of enhancement.

This may be because your suckler cow numbers have increased, or your sheep or other eligible animal numbers that you maintained throughout 2005 have fallen. You only need to tell us if any percentage change means that **the hectare multiplier – i.e. the 1.35 or the 1.70 shown in the above table – changes.** You do **not** have to notify us if your cattle percentage changed – say, from 45% to 25% – but the enterprise mix multiplier remains the same. Cattle only producers cannot be affected – they always have 100% cattle and fluctuations in stock numbers will not affect entitlement to the maximum level of enhancement. If you are in any doubt about whether you need to notify us please speak to your local SEERAD area office. Once you have notified us, we will write to you to ask you to declare livestock numbers held throughout the 2005 calendar year – as with new applicants, we explain how we will gather the information we require, in paragraph 10.

8.6 To assess whether a different hectare multiplier may apply to you, you should look at your livestock records. Convert to livestock units the numbers of suckler cows and/or ewes, gimmers, hoggs, or, in the case of farmed deer, goats, llamas or alpacas, breeding females, on your **LFA** land on each of three key dates:

**1 January 2005**

**30 June 2005**

**1 January 2006**

Annex A shows the livestock unit conversion rates for each livestock type. Add together the figures for the three key dates for each type of livestock and average them (divide by three). Work out your cattle livestock unit figure for the year as a percentage of your total livestock units. If you operate a dairy enterprise within the LFASS ring-fence milk quota areas (defined in paragraph 2.2 of these Notes), convert the litres of milk quota held on 31 March 2005 to livestock units and add them to your total average livestock units. They should also be included in the total cattle livestock unit figure. Here is an example of someone who had 35% eligible cattle in 2004, but whose balance of sheep and cattle in 2005 seems to attract a different level of enhancement:

**Hectare multiplier based on 2004 stock shown on LFASS 2005 payment letter = 1.35**

	<b>Animals 1 Jan 05</b>	<b>lus</b>	<b>Animals 30 Jun 05</b>	<b>lus</b>	<b>Animals 1 Jan 06</b>	<b>lus</b>	<b>Total lus</b>	<b>Average lus (÷3)</b>
<b>Suckler cows</b>	100	100	50	50	29	29	179	<b>59.6</b>
<b>Ewes</b>	400	60	300	45	350	52.5	157.5	52.5
							336.5	<b>112.1</b>

$$\frac{59.6 \text{ cattle lus}}{112.1 \text{ total lus}} \times 100 = \mathbf{53.17\%}$$

Hectare multiplier based on stock held throughout the 2005 calendar year = 1.70. In this example the farmer should write to SEERAD to inform us of the change.

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### 9. Claims based on Existing Information (including Milk Quota)

9.1 From 2005, the Single Farm Payment replaced the production subsidies previously paid under the Common Agricultural Policy. As a result, the previous means of gathering livestock numbers (namely, from SAPS and SCPS claims) will no longer be available. To address this, we will use the 2004 animal numbers that we used to assess your LFASS 2005 entitlement, to calculate livestock units for LFASS 2006.

9.2 If you claimed and were paid LFASS 2005, SEERAD will assess your LFASS 2006 entitlement on:

- your eligible land declared with your 2005 Single Application Form (SAF); and
- 2004 animal numbers, and litres of milk quota, used to assess your LFASS 2005 entitlement.

If you did not have an eligible activity – as explained in paragraphs 2.2 and 2.3 – for at least 183 days in the 2005 calendar year **you must notify your local SEERAD area office immediately**. Arrangements for those who were not paid LFASS 2005 are outlined in paragraph 10.

#### Milk Quota

9.3 If you claimed LFASS 2006 in your SAF 2005 and operate a dairy enterprise within the Scottish LFA we will use your Milk Quota as at 31 March 2004, **either**:

- if you farm **within** the LFASS ring-fence milk quota area (described at paragraph 2.2 of these Notes), to assess your eligibility for LFASS 2006, to calculate your stocking density and assess your enterprise mix eligibility.

**or**

- if you operate a dairy enterprise which is within the LFA, but **outwith** the LFASS ring-fence milk quota area; **and** you have other eligible activities in 2005 (see paragraphs 2.2 and 2.3 of these Notes) to qualify for LFASS\*, to assess the non-eligible land attributable to the dairying business.

*\*If you have an exclusively dairy enterprise which is outwith the LFASS ring-fence milk quota area (described in paragraph 2.2 of these Notes) and **no other LFASS eligible activities** in 2005, you will **not** qualify for LFASS.*

### 10. Claims requiring Additional Information

10.1 If:

- you claimed LFASS 2006 in your SAF 2005, but were not paid LFASS 2005 and we have no historic livestock data for you; or
- you have notified us, or we hold information that suggests, that your mix of livestock maintained in the calendar year 2005 means that your cattle percentage on that basis points to a different enterprise mix enhancement (explained in paragraph 8);

you should shortly receive a letter from us asking you to declare stock details on the following three key dates:

1 January 2005

30 June 2005

1 January 2006

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We will need details of the numbers of suckler cows and/or ewes, gimmers, hoggs, or, in the case of farmed deer, goats, llamas or alpacas, breeding females on your holding on these dates. If you were not paid LFASS 2005, we will use this information to calculate your stocking density (paragraph 7) and, if appropriate, your enterprise mix enhancement (paragraph 8).

If the current assessment for the environmental measure described in paragraphs 8.4 to 8.6 applies to you, we will use the information to calculate your enterprise mix enhancement.

10.2 Once you return this information to your local SEERAD area office, we will be able to assess your LFASS 2006 entitlement.

10.3 In previous years we have asked for additional information if you had:

- eligible sheep or cows, but did not claim livestock premium;
- farmed deer for meat production;
- goats, llamas or alpacas for fibre production; and/or
- LFA and non-LFA land, or land outwith Scotland.

However, because we are using 2004 animal numbers to assess your LFASS 2006 entitlement, we already have the 2004 information you supplied for LFASS 2005. This means that we will not need to ask you for supplementary information for LFASS 2006. However, if you had no eligible activity in the 2005 calendar year (see paragraphs 2.2 and 2.3 of these Notes) **you must notify your local SEERAD area office immediately.**

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### 11. How will my Payment be Calculated?

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#### Eligible Forage Land

11.1 If you are eligible, we will pay you on the basis of each eligible forage hectare (see paragraph 2.1 of these Notes), **adjusted** to take account of:

- any ineligible hectares if you have a dairying enterprise in the LFA but outwith the LFASS ring-fence milk quota area;
- any minimum or maximum stocking density restriction that applies to your claim;
- your grazing category; and
- any enterprise mix enhancement you qualify for.

#### Ineligible Land used for Dairying Outwith the LFASS Ring-Fence Milk Quota Area

11.2 If you have a dairy enterprise **outwith** the LFASS ring fence milk quota area (defined in paragraph 2.2 of these Notes) but also carry out one of the eligible activities described in paragraph 2.2 of these Notes, we will reduce your LFA forage hectares to take account of land used for dairying. We will calculate the land used for ineligible activity by using the litres of milk quota as at 31 March 2004 in the following formula:

$$\frac{\text{Total Litres of Milk Quota}}{5730} \times 0.80 = \text{Ineligible Dairy Land}$$

An example of how a payment of this type will be calculated is included at Annex B.

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### Avoiding Over-Compensation: Minimum and Maximum Stocking Densities

11.3.1 EC Regulation 1257/1999 specifically requires avoidance of over-compensation. Payments will be reduced for land which falls below the **minimum stocking density of 0.12 lu/ha that will apply to all eligible farms**, irrespective of location or type. If your LFASS 2005 stocking density is less than 0.12, we will base your payment on the number of hectares that will support the stock you actually maintained for LFASS purposes in 2004, at 0.12, the minimum stocking density. We will use the following formula:

$$\frac{\text{Total Livestock Units}^*}{0.12} = \text{Restricted Eligible Hectares}$$

*\*Calculated as per paragraph 6 of these Notes*

11.3.2 **There is also a maximum stocking density limit of 1.4 lu/ha.** If your LFASS 2006 stocking density exceeds 1.4 we will restrict your LFASS eligible hectares using the following formula:

$$\text{Forage Hectares SAF 2005} \times \frac{1.4 \text{ (Maximum Stocking Density)}}{\text{Actual Stocking Density}} = \text{Restricted Eligible Hectares}$$

Examples of payments restricted by the minimum and maximum stocking densities are included at Annex B.

### Eligible Activity Undertaken in 2001: Grazing Category Value

11.4.1 Under the LFASS 2003, SEERAD allocated a grazing category to each business as a means of reflecting land quality. To do this we needed a relevant snapshot of business activity and we decided stocking densities based on eligible land and activity in 2001 (the scheme year for LFASS 2002) provided an acceptable basis. We calculated your **baseline** stocking density using the land and stock you had **in 2001**. The animals we used when calculating your livestock units for the purposes of your grazing category, were those detailed at paragraph 6 of these Notes. If you claimed and were paid under LFASS 2002, we wrote to you in February 2003 to give you an indication of which of the grazing categories below, applied to the land you claimed in 2001:

CATEGORY	STOCKING DENSITY*	HECTARE VALUE
A	up to 0.19 lu/ha	0.167
B	0.2 to 0.39 lu/ha	0.333
C	0.4 to 0.59 lu/ha	0.667
D	0.6 or more lu/ha	0.800

*\*Please note that stocking densities are rounded to 2 decimal places, so, for example, 0.195 lu/ha becomes 0.20 lu/ha and 0.194 lu/ha rounds to 0.19 lu/ha.*

The grazing category allocated on the basis of 2001 stocking densities remains with each field. If the land composition of your farm did not change between submitting your AAA 2001 and SAF 2005, we will simply multiply your eligible hectares (declared in your AAA 2004) by the hectare value appropriate to your grazing category, to determine the number of eligible hectares which will form the basis of your LFASS 2006 payment calculation.

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### What if I have acquired a new field with a different grazing category since May 2001, and have included it in my SAF 2005?

11.4.2 Your grazing category applies at an individual field level. This means that if the land composition of your farm changed between submission of your AAA 2001 and SAF 2005, we will look at the 2001 grazing category of each field you claimed in SAF 2005. We will use the 2001 baselined stocking densities associated with the fields you declared in SAF 2005 to determine the appropriate grazing categories applicable to your LFASS 2006 claim. For example, a producer whose holding composition in 2001 placed his 300 ha (declared in his AAA 2001) in category **A**, subsequently acquired a 40 ha field classified as **C**. Consequently, for LFASS 2006, the following adjustments would be made to the combined 340 ha. of forage included in his SAF 2005, to take account of both grazing categories:

	Category	Eligible ha		Hectare value		Adjusted ha
<b>Original land</b>	Category A	300 ha	@	0.167	=	50.10 ha
<b>New land</b>	Category C	40 ha	@	0.667	=	26.68 ha
<b>Total</b>		<b>340 ha</b>				<b>76.78 ha</b>

The payment calculation for this hypothetical producer is included with several other examples at Annex B. If you have questions about the grazing category (or categories) of your farm, please contact your local SEERAD area office.

### What if I claimed common grazing land in my AAA 2001 – how did SEERAD allocate a grazing category to this land?

11.4.3 To determine your total eligible forage land claimed on your AAA 2001, we added your common grazing share to your in-bye land. We then divided all your LFASS eligible livestock units (calculated as per paragraph 6 of these Notes on the basis of stock held in 2001) by all your eligible forage land. The single grazing category derived from the stocking density calculated was allocated to both your in-bye and common grazing land.

### What if I claimed shared grazing in my AAA 2001 – how did SEERAD allocate a grazing category to this land?

11.4.4 A single grazing category will have been applied to the whole of a shared field by averaging the individual stocking densities of each farmer sharing the field. The field would then have been divided between the producers concerned, pro-rata, according to their share of the total livestock maintained on the field. This approach means that your share of the grazing may be allocated a different grazing category from the rest of your eligible land.

### Can I appeal against my Grazing Category?

11.4.5 Yes. The appeals process is outlined at paragraph 15 of these notes.

### Environmental Measure: Mix of Livestock Maintained

11.5 The enterprise mix is explained in more detail in paragraph 8. For LFASS 2006 there are two levels of enhancement that can be applied to your eligible hectares (adjusted for grazing category):

ENTERPRISE MIX	HECTARE MULTIPLIER
If 50% or more of livestock units* (lus) are cattle	1.70
If 10% or more, but less than 50% of lus are cattle	1.35

\* Calculated in accordance with paragraph 6.

## Less Favoured Areas Support Scheme

### Rates of Aid

11.6 In setting the payment rates for LFASS 2006 we aim to recognise the different transport costs faced by farmers across the LFA and the varying degrees of natural handicap affecting the Scottish LFA. To achieve this we will use both:

- **the fragility markers introduced under the 2004 scheme.** The list of parish codes included at Annex E shows which **single** fragility marker applies to you, based on the location of your main farm code. (Your parish code is the first three digits of your main farm code); **and**,
- **your grazing category:** We will group together land with grazing category A and B as “More Disadvantaged Land” and land with grazing category C and D as “Less Disadvantaged Land”. These two groupings have different payment rates within each fragility category, as set out below:

LAND CATEGORY	Areas with lower transport costs	Mainland areas of disadvantage and higher transport costs	Islands
	“Standard”	“Fragile”	“Very Fragile”
	<u>Rate per adjusted hectare (£)</u>	<u>Rate per adjusted hectare (£)</u>	<u>Rate per adjusted hectare (£)</u>
More Disadvantaged Land (categories A and B)	39.00	45.00	47.00
Less Disadvantaged Land (categories C and D)	33.50	39.50	41.50

Please note that, although only one fragility marker can apply to your LFASS 2006 entitlement, it is possible to be paid both rates within a single fragility category. This will happen **only** if you included **both** More Disadvantaged **and** Less Disadvantaged Land in your SAF 2005.

Please note:

- if your main farm code lies outwith the LFA, or outwith Scotland, we will pay the standard rate(s) for each ha of eligible land you farm within the Scottish LFA; or
- if your main farm code is based on a mainland parish, but your main farm is located on an island, we will pay the Very Fragile rate(s).

### Calculation of your Area Based Entitlement

11.7 We will calculate your LFASS 2006 entitlement as follows:

- if applicable, adjust your eligible hectares from your SAF 2005 to take account of any ineligible dairy activity and/or the minimum and maximum stocking density restrictions;
- multiply your eligible forage hectares declared in your SAF 2005 by the appropriate grazing category value(s);
- if appropriate, multiply your eligible hectares (adjusted by your grazing value) by your enterprise mix multiplier; and
- multiply your adjusted eligible hectares by the appropriate payment rate(s).

## ***Less Favoured Areas Support Scheme***

This will be the amount we will pay you **unless** the minimum scheme payment top-up at paragraph 11.8 applies. To illustrate how the calculation will work in practice, we have included several hypothetical examples of payment calculations at Annex B.

### **Minimum Payment**

11.8 SEERAD recognises the costs associated with running small farm businesses and for this reason, under LFASS 2006 the minimum payment for an eligible claim will be £350. This means that if your area payment is less than £350, we will pay you an additional sum to bring the total to £350.

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## **12. How and When will I get my Payment?**

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### **How?**

12.1 LFASS claims will be paid using the Bankers Automated Clearing System (BACS). We will already have your bank details if you have previously received an LFASS payment or payment for any other IACS Schemes. However, if you have not previously supplied this information you should obtain and complete a form BACS (1) and return it to your local SEERAD area office as quickly as possible. This also applies if you need to change the details we hold.

### **When?**

12.2 Our aim is to start to issue payments in March 2006, with at least 50% of eligible claims being paid by the end of that month and 90% by the end of June.

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## **13. Inspections**

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It is a condition of the scheme that you must allow SEERAD and EC staff, or representatives, access to land, animals and records at any reasonable time for the purposes of establishing compliance with the terms of the Scheme. You will also be required to co-operate with such inspections.

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## **14. Penalties and Repayment of Allowances**

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### **LFASS Penalties**

14.1 We must implement LFASS strictly in accordance with EC rules. Make sure you understand your obligations and you should consider seeking professional advice if necessary. If you do not observe the conditions of LFASS outlined in paragraph 2 of these Notes you will forfeit all or part of your payment. If you make a false declaration, as a result of serious negligence, then you will be excluded from the LFASS for the year. If you make a false declaration intentionally, you will be excluded from LFASS for the following year as well. If you knowingly or recklessly make a false statement for the purpose of obtaining payment for yourself or another person, you and they also risk prosecution.

### **Good Farming Practice Penalties**

14.2 As before, to qualify for LFASS, all producers must meet the requirements of Good Farming Practice set out at Annex C. A breach of Good Farming Practice, depending on the severity, may mean the loss of all or part of payment of LFASS. To ensure that payment reductions are applied consistently and fairly, we have developed a scale of Good Farming Practice penalties. The range of penalties includes: a warning letter for a negligent breach

## **Less Favoured Areas Support Scheme**

that is rectifiable and has a minimal impact; total loss of subsidy for an intentional breach that has permanent consequences; and penalties of increasing severity in subsequent years, for repeated breaches. Full details will be available from your local SEERAD area office and on SEERAD's website in due course.

### **IACS Penalties which affect LFASS**

14.3 SAF penalties outlined in Annex 2 of the IACS (1) 2005 Explanatory Booklet will apply, if appropriate.

### **Repayment**

14.4 If we discover you have been paid money under LFASS 2006 to which you are not entitled, you will have to repay the amount in full. If the over-payment occurs through a breach of the scheme conditions, SEERAD will charge interest from the date of notification of the overpayment until full recovery, including interest, has been achieved.

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## **15. Land Classification: Applications for LFA classification and Appeals against decisions; and Appeals against Grazing Categories**

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### **Application for LFA Classification**

15.1 If you are not satisfied with the current classification of your farm you should in the first instance write to your local SEERAD area office. We will arrange to inspect your land at an appropriate time and consider whether conditions merit a re-assessment of the existing classification. We will notify you of our decision once all aspects of your case have been considered. If you are dissatisfied with the outcome of your application, you may follow the appeals process outlined at paragraph 15.2.

### **Appeals against LFA Classification**

15.2 If you are unhappy with any SEERAD decision in relation to an application for LFA classification, you have the right to have your appeal considered by an independent body, through your local SEERAD area office. In this event, an external appeals panel would be set up to review the original classification.

### **Appeals against Grazing Category**

15.3.1 Paragraph 11.4 of these Notes explains how we assessed your Grazing Category on the basis of your stocking density in 2001. If you are unhappy with the category allocated to the land declared in your AAA 2001 you may appeal against a grazing category decision, **only in the circumstances specified below:**

#### **Unrepresentative Stocking Levels in 2001**

*Q Unusual circumstances in 2001 meant that my stocking levels that year were significantly lower than usual. Will you consider reassessing my grazing category?*

*A We will only consider reviewing someone's 2001 stocking density position for the purposes of the Grazing Category, if they can provide documentary evidence that clearly demonstrated that it was **not** typical of their usual stocking pattern. It is important to remember that the LFASS stocking density calculation is not intended to cover all the animals on a holding.*

## Less Favoured Areas Support Scheme

### Developers

*Q I took on land which carried little (or no) stock in the 2001 reference period and am in the process of building up the herd/flock in line with my business plan. Can I have the grazing category of the land reassessed on the basis of the maximum stocking levels outlined in my plan?*

A Not necessarily. The presumption underlying the scheme is that a producer's stocking density in 2001 was a reasonable indicator of the overall quality of the land. Appeals of this type against the stocking density awarded to a unit will be considered on their merits and take into account all relevant evidence.

### Former Agri-Environment Scheme Participants

*Q I participated in an agri-environment scheme that involved stock reduction. This scheme has ended and I have since increased my stock numbers. Will SEERAD re-assess the Grazing Category of my land on the basis of more recent stocking levels?*

A This depends on the reason for stock reduction. If it was, for example, to allow suppressed grazing to recover, it would be inappropriate to increase payment to someone who restocks to the detriment of the grazing. We will treat each case on its merits with the aim of ensuring that any benefit or improvement gained under the agri-environment scheme is sustained.

### Control Measures following an Epizootic Disease Outbreak (eg FMD)

*Q My animals were culled during the FMD outbreak. How will you take account of this for the purpose of my Grazing Category?*

A We may already have taken this into account when assessing your payment entitlement under LFASS 2002, in which case we should have carried forward the adjusted animal figure for the purposes of your Grazing Category. If you are in any doubt, please contact your local SEERAD area office. If this has not previously been addressed, and you have continued to rebuild your stock numbers, we may consider reassessing your 2001 stocking density on the basis of the previous year's stock levels.

15.3.2 In any of the above circumstances, you should in the first instance make representations to your local SEERAD area office. If you are dissatisfied with the outcome and wish the decision to be reviewed you should contact the Principal Agricultural Officer at your local office. If you are still not content then you can appeal under SEERAD's EU Agricultural Subsidies Appeals procedure. This procedure is outlined at paragraph 16.1 of these Notes.

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## 16. Appeals and Complaints Procedure

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### Appeals against decisions

16.1 If you are not sure why you have been penalised or do not fully understand a decision SEERAD has made in connection with your claim, you should contact your local SEERAD area office for a fuller explanation. If you are not satisfied with this explanation and wish the decision to be reviewed you can appeal under SEERAD's EU Agricultural Subsidies Appeals procedure. You have 60 calendar days from the date of our decision letter in which to submit an appeal. This procedure consists of 3 stages: an in-house review, an external panel review and an appeal to the Scottish Land Court. Copies of the appeal form and explanatory booklet are available from area offices, from the Appeals Secretariat, and from the Department's website: [www.scotland.gov.uk/Topics/Agriculture/grants/](http://www.scotland.gov.uk/Topics/Agriculture/grants/)

## **Less Favoured Areas Support Scheme**

Standardsservices/Appeals/Appeals. If you are unsure if you have the right to appeal or have any other questions, contact the Appeals Secretariat, SEERAD, 47 Robb's Loan, Edinburgh, EH14 1TY. Please note that the appeals procedure does **not** deal with complaints about standard of service.

### **Complaints about Standard of Service**

16.2 If you have a complaint about the standard of service we provide, you should proceed as follows:

- You should discuss the matter of concern with the manager of the team you have been dealing with. This is likely to be either your Area Office or a team in Edinburgh. They may be able to answer your concerns to your satisfaction.
- You may write formally to our central complaints team at the address given below.

### **What will happen to my complaint – approach to local team head**

- Contact the person in charge of the team you have been dealing with, and explain your concerns. If you are unsure as to their identity, ask your Area Office or the central complaints team for assistance. You may complain in person, over the phone, in writing, or by e-mail. We would encourage personal contact as it may allow us to resolve the matter to your satisfaction better and sooner.
- The team head will ask for your details, and for information on your complaint. If they can, they will address the matters raised on the spot. They may have to note some and look into these afterwards. During contact, they will ask you if you wish to have the matter formally logged in our records as a complaint. If you ask for it to be logged as a complaint, the team head will carry out any follow up action necessary, and write back to you within 2 weeks confirming the outcome discussed and/or giving a response to any further action. The letter will indicate what you can do if you are still dissatisfied. The team head may phone you after you have received the letter to clarify any points you may have.

### **What will happen to my complaint – approach to the central complaints team**

- You may write formally to our central complaints team, using our complaint form. Copies of the form are available on request from your Area Office or from the complaints team. A copy is also available on the Scottish Executive website [www.scotland.gov.uk/Topics/Agriculture/grants/Standardsservices/Appeals/Complaints](http://www.scotland.gov.uk/Topics/Agriculture/grants/Standardsservices/Appeals/Complaints)
- You do not necessarily have to approach the person in charge of the team you have dealt with before submitting a form, but we would encourage this as a first step. We ask you to indicate your complaint briefly on the form. This is so we avoid any misunderstanding and that we can clearly identify the individual aspects we need to address in our reply. We ask you then to attach a more detailed note with background to the circumstances that led to your complaint.

### **Other ways to complain**

- You may also use other ways to complain. You may ask your Member of the Scottish Parliament (or alternatively your Member of the UK Parliament) to take up your complaint with the Minister for Environment and Rural Development at The Scottish Executive, Pentland House, 47 Robbs Loan, Edinburgh, EH14 1TY.

## ***Less Favoured Areas Support Scheme***

- If you have used our complaint procedure and are still not satisfied, you (or your representative) may ask the Scottish Public Sector Ombudsman to investigate your complaint. Your representative may be an MSP, local councillor or any person you consider suitable to represent your interests. Your complaint must be submitted to the Scottish Public Services Ombudsman, 4 Melville Street, Edinburgh, EH3 7NS, within 12 months after the day on which you first had notice of the matter which you are complaining about. Further information about the Scottish Public Sector Ombudsman is available at [www.scottishombudsman.org.uk](http://www.scottishombudsman.org.uk)

### **Useful address**

- If you are unsure about the procedure, or require any further information, please contact the Central Complaints Team at:

SEERAD Central Complaints Team

Room 028

Pentland House

47 Robbs Loan

Edinburgh

EH14 1TY

Enquiry Tel no: 0131 244 3111

Email address: [SEERADCAPM1@scotland.gsi.gov.uk](mailto:SEERADCAPM1@scotland.gsi.gov.uk)

Or you may wish to contact your Area Office

- If you are satisfied with the service we have provided, or wish to highlight some exceptional performance, we would be happy to hear from you. Should you have suggestions about how we can build on the service we provide, these will also be welcomed.

### CALCULATION OF LIVESTOCK UNITS AND STOCKING DENSITY

This Annex is intended to help you work out your total Livestock Units (LU) and Stocking Density, as it applies to LFASS 2006 and should be read in conjunction with paragraphs 6 and 7 of these Notes.

**This is for your own information – our computer system will calculate the stocking density for your LFASS 2006 claim based on your SAF 2005 land information and the 2004 animal information we already hold in relation to your LFASS 2005 claim.**

#### LIVESTOCK UNITS

<b>A</b> Number of Suckler Cows	_____	X 1.0	=	_____ LU
<b>B</b> Where appropriate number of heifers over 8 months	_____	X 0.6	=	_____ LU
<b>C</b> Litres of Milk Quota, where appropriate	_____	/ 5730	=	_____ LU
<b>D</b> Number of Breeding Ewes, Gimmers and where appropriate, Hogs	_____	X 0.15	=	_____ LU
<b>E</b> Number of Breeding Female Goats	_____	X 0.15	=	_____ LU
<b>F</b> Number of Breeding Female Llamas or Alpacas	_____	X 0.3	=	_____ LU
<b>G</b> Number of Breeding Female Deer:				
G1 Mature Hinds 27 months and over	_____	X 0.3	=	_____ LU
G2 Juveniles over 6 months but less than 27 months	_____	X 0.2	=	_____ LU
<b>H Total LFASS Livestock Units</b>	<b>(A + B + C + D + E + F + G)</b>		<b>=</b>	<b>_____ LU</b>
<b>I Total Forage Area</b>			<b>=</b>	<b>_____ Ha</b>

**Stocking Density (to two decimal places\*) = H divided by I \_\_\_\_\_**

\* (i.e. 1.995 rounds to 2.00 and 1.994 rounds to 1.99)



### PAYMENT CALCULATION EXAMPLES

The following examples show the level of payment due in the exact circumstances described:

**Example 1 – No land composition change between 2001 and 2005:** A producer's main farm code is located in the standard area. The farmer has declared land of a single grazing category in his AAAs between 2001 and 2005. His 2001 stocking levels placed him in category D (see paragraph 11.4.1 of these Notes), and in the **less disadvantaged** land category; his stocking density on the basis of his land in 2005 and animals in 2004 is 0.70 lu/ha; and he has 100% cattle livestock units (see paragraph 8.2 of these Notes).

Total number of eligible hectares from SAF 2005	500ha
Times the hectare value for a category D farm	X 0.800
= hectares adjusted for Grazing Category	= 400ha
Times hectare multiplier for cattle	1.70
= Number of hectares for payment	= 680ha
Times the standard, less disadvantaged land payment rate	X £33.50
Payment due	<u>£22,780.00</u>

**Example 2 – No land composition change between 2001 and 2005:** A producer's main farm code is located in the mainland fragile area. The farmer has declared land of a single grazing category in his AAAs between 2001 and 2005. His 2001 stocking levels placed him in category B (see paragraph 11.4.1 of these Notes), and in the **more disadvantaged** land category; his stocking density on the basis of his land in 2005 and animals in 2004 is 0.25 lu/ha; and he has 30% cattle livestock units (see paragraph 8.2 of these Notes)

Total number of eligible hectares from SAF 2005	150ha
Times the hectare value for a category B farm	X 0.333
= hectares adjusted for Grazing Category	= 49.95ha
Times hectare multiplier for cattle	1.35
= Number of hectares for payment	= 67.43ha
Times the fragile more disadvantaged land payment rate	X £45.00
Payment due	<u>£3,034.35</u>

## Less Favoured Areas Support Scheme

**Example 3 – Acquired land of a different grazing category between 2001 and 2005:** A producer's main farm code is located in the islands, very-fragile area. The farmer declared 300ha of land in his AAA 2001 and his stocking levels in 2001 placed this land in grazing category A (see paragraph 11.4.1 of these Notes) and for LFASS 2006, in the **more disadvantaged** land category. This land was included in his SAF 2005 along with a further 40ha acquired, classified as grazing category C based on its 2001 stocking levels, and in the **less disadvantaged** land category. Based on the combined total of 340ha declared in his SAF 2005; and his eligible animals in 2004, the farmer's current stocking density is 0.20. He also has 15% cattle livestock units (see paragraph 8.2 of these Notes).

More disadvantaged land from SAF 2005		300ha
Times the hectare value for a category A farm	X	<u>0.167</u>
= hectares adjusted for Grazing Category	=	50.10ha
Times hectare multiplier for cattle		1.35
= Number of hectares for payment	=	67.64ha
Times the very fragile, more disadvantaged land payment rate	X	<u>£47.00</u>
<b>A</b> More disadvantaged land sub-total		<u>= £3,179.08</u>
Less disadvantaged land from SAF 2005		40ha
Times the hectare value for a category C farm	X	<u>0.667</u>
= hectares adjusted for Grazing Category	=	26.68ha
Times hectare multiplier for cattle		<u>1.35</u>
= Number of hectares for payment	=	36.02ha
Times the very fragile, less disadvantaged land payment rate	X	<u>£41.50</u>
<b>B</b> Less disadvantaged land sub-total		<u>= £1,494.83</u>
<b>Amount due A + B</b>		<u><u>£4,673.91</u></u>

## **Less Favoured Areas Support Scheme**

**Example 4 – Minimum stocking density (min SD) restriction:** A producer's main farm code is located in the islands very-fragile area. The farmer has declared land of a single grazing category in his AAAs between 2001 and 2005. His 2001 stocking levels placed him in category A (see paragraph 11.4.1 of these Notes) and in the **more disadvantaged** land category. His stocking density on the basis of his land in 2005 and animals in 2004 is 0.10 lu/ha (below the minimum stocking density limit – see paragraph 11.3.1 of these Notes). He has 6 livestock units, all sheep, on 60ha of land.

Minimum stocking density restriction $6\text{lu} \div 0.12\text{lu/ha (min SD)}$	=	50ha
restricted eligible hectares from SAF 2005		50ha
Times the hectare value for a category A farm	X	<u>0.167</u>
= hectares adjusted for Grazing Category	=	8.35ha
Times the very fragile, more disadvantaged land payment rate	X	<u>£47.00</u>
Payment due		<b><u>£392.45</u></b>

**Example 5 – Maximum stocking density (Max SD) restriction:** A producer's main farm code is located in the standard area. The farmer has declared land of a single grazing category in his AAAs between 2001 and 2005. His 2001 stocking levels placed him in category D (see paragraph 11.4.1 of these Notes) and in the **less disadvantaged** land category. His stocking density on the basis of his land in 2005 and animals in 2004 is 1.5 lu/ha (above the maximum stocking density limit – see paragraph 11.3.2 of these Notes). He has 150 livestock units, 100% of which are cattle, on 100ha of land.

Maximum stocking density restriction: $\frac{100\text{ha} \times 1.40\text{lu/ha (max SD)}}{1.50\text{lu/ha (actual SD)}}$	=	93.33ha
restricted eligible hectares from SAF 2005		93.33ha
Times the hectare value for a category D farm	X	<u>0.800</u>
= hectares adjusted for Grazing Category	=	74.66ha
Times hectare multiplier for cattle		<u>1.70</u>
= Number of hectares for payment		126.92ha
Times the standard, less disadvantaged land payment rate	X	<u>£33.50</u>
Payment due		<b><u>£4,251.82</u></b>

## Less Favoured Areas Support Scheme

**Example 6 – Ineligible land used for dairying outwith the LFASS ring-fence milk quota area:** A producer has a dairy farm and also has sheep. The main farm code is located in the standard area. His 2001 stocking levels placed him in category D (see paragraph 11.4.1 of these Notes) and in the **less disadvantaged** land category. His stocking density on the basis of his land and eligible animals in 2005 is 0.50 lu/ha. He declared 200ha of land in his SAF 2005, and in 2004 had 92 sheep livestock units and 114,600 litres of milk quota (see paragraph 11.2 and Annex A of these Notes).

Number of eligible hectares from SAF 2005		200ha
Less ineligible dairy land:	$\frac{114,600 \text{ litres} \times 0.80}{5730 \text{ litres}}$	= <u>16ha</u>
restricted eligible hectares from SAF 2005		184ha
Times the hectare value for a category D farm	X	<u>0.800</u>
= hectares adjusted for Grazing Category		= 147.20ha
Times the standard less disadvantaged land payment rate	X	£33.50
Payment due		<u><b>£4,931.20</b></u>

**Example 7-Minimum payment top up:** A producer with a small farm has an area entitlement, calculated on the basis of his low number of eligible hectares and stock, that is less than £350.

Area based entitlement		£230.00
Minimum payment top-up		= <u>£120.00</u>
Payment due		<u><b>£350.00</b></u>

#### GOOD FARMING PRACTICE GUIDELINES – SCOTLAND

Regulation 1750/1999 states (Article 19) that where a farmer/crofter(s) enters into an agri-environmental commitment in relation to part of the farm/croft, he/she shall adhere to at least the standard of good farming practice in relation to the whole of the farm/croft. Also Council Regulation 1257/1999 (Less Favoured Areas and Areas with Environmental Restrictions) Article 14.2 states that compensatory allowances shall be granted per hectare of areas used for agriculture to farmers who apply usual good farming practices compatible with the need to safeguard the environment and maintain the countryside, in particular by sustainable farming.

It is a condition of approval that you comply with the Standard of Good Farming Practice and any future revisions to it. A list of the verifiable standards of Good Farming Practice follows, and the complementary environmental regulations are detailed at the end of this section.

If you are subject to investigation by SEPA or any other enforcement agency for a breach of any environmental regulation we may have to consider delaying the payment of a claim until the outcome of the investigation is known.

The verifiable standards of Good Farming Practice are ones which are complementary to existing legislative requirements and are capable of verification by Scottish Executive Environment and Rural Affairs Department (SEERAD) staff to EU audit standards as part of our existing checks on agri-environment scheme participants.

#### **1.1 On rough grazings, unimproved grassland, reverted improved grassland, machair and dune grassland, wetlands and native, amenity or semi-natural woodlands, you must ensure that livestock are managed to avoid either overgrazing or undergrazing.**

High concentrations of stock often cause poaching, frequently as a result of supplementary feeding practices, with obvious damage to the vegetation. When feed blocks are used, it will often be preferable to rotate feeding sites, but if hay is fed, sacrificial areas may be more desirable due to the risk of site rotation spreading introduced grass seeds over larger areas, to the detriment of the natural herbage.

**Overgrazing** is defined as ‘grazing land with livestock in such numbers as adversely to affect the growth, quality or species composition of vegetation (other than vegetation normally grazed to destruction) on that land to a significant degree’. Scheme participants will have an obligation to manage their stock in such a way as to prevent damage to sensitive habitats that are important for biodiversity reasons. Examples are juniper and montane scrub, herb-rich swards, already eroded areas and wetland habitats as well as other natural and semi-natural habitats. Cases of suspected overgrazing will be investigated. Where overgrazing is identified, a management regime including a maximum (and where appropriate a minimum) stocking rate to be observed on that site will be prescribed. Failure to observe the stocking limit thereafter would be a breach of this condition.

#### **Unsuitable Supplementary Feeding**

Unsuitable supplementary feeding means providing supplementary feed (other than to maintain livestock during abnormal weather conditions) in such a manner as to result in damage to vegetation through excessive trampling or poaching of the land by animals or excessive rutting by vehicles. Please note that if you claim that weather conditions were abnormal, you will be asked to demonstrate that your usual feeding practice was not adequate

to maintain your animals during the abnormal conditions. Cases of suspected unsuitable supplementary feeding will be investigated and failure to follow advice thereafter would be a breach of this condition.

**Undergrazing** or under-utilisation is defined as ‘grazing at a level where there is evidence of the annual growth not being fully utilised, or scrub or coarse vegetation is becoming evident, and such changes are detrimental to the environmental interest of the site’. Where undergrazing is identified, a management regime including a maximum (and where appropriate a minimum) stocking rate to be observed on that site will be prescribed. Failure to observe the stocking limit thereafter would be a breach of this condition.

### **1.2 Animal owners and keepers must ensure good welfare of their animals**

- Animals must not be caused any unnecessary pain or suffering.
- Animals must be inspected at regular intervals.
- Animals kept in buildings must have access to a well maintained drying area.
- Animal buildings must be constructed in a way that will not be harmful to animals.
- Where necessary artificial light must be provided and animals should not be kept without an appropriate period of rest from artificial light.
- Animals must be fed a diet of sufficient quality and quantity to maintain them in good health and to satisfy their nutritional needs.
- All animals must have access to feed at appropriate intervals (at least once a day) and a suitable water supply or to be able to satisfy their fluid intake by other means.
- Movement of animals should not be restricted in such a way as to cause them unnecessary suffering or injury.

### **1.3 Competence of animal keepers**

Keepers of animals must not attend to them unless they have access to the appropriate Statutory Welfare Codes and are knowledgeable about the provisions within the Codes.

### **1.4 Care of ill or injured Animals**

Ill or injured animals must be cared for appropriately without delay and, where necessary, veterinary advice must be obtained as soon as possible. Records must be maintained of the medicinal treatment given to animals and of the number of mortalities.

**1.5 Drystone or flagstone dykes or walls, hedges and hedgerow trees on your land are important elements of a traditional landscape and provide valuable habitats for a diverse range of plants and animals. The removal or clearance of such features will not be permitted except with the prior written agreement of SEERAD or other appropriate Government Agency.**

Enforcement will be through visual assessment of any recent damage during field checks.

**1.6 Trimming of hedgerows on your land, if carried out between 1 March and 31 July, may damage the conservation interest of this habitat. No hedge trimming during this period will be allowed.**

Enforcement will be through visual evidence of recent damage during any checks carried out.

## ***Less Favoured Areas Support Scheme***

### **1.7 You are required to notify Scottish Natural Heritage of any intended operations that are likely to damage any Site of Special Scientific Interest on your land.**

It is a condition of LFASS that participants will not proceed with any such operations without having obtained prior approval from Scottish Natural Heritage. Checks will be made to see that any damaging operations that appear to have been carried out have had prior approval from SNH.

### **1.8 If a new silage or slurry storage facility is constructed on your land, you must notify the Scottish Environment Protection Agency before starting to use it.**

Checks will be carried out to see that this notification has been given for any new stores.

### **1.9 You must obtain prior authorisation from the Scottish Environment Protection Agency before disposing of sheep dip on your land.**

Checks will be made to see that either an authorisation has been obtained or that there is justifiable reason why no authorisation is needed in that individual case.

### **1.10 In most cases, you must obtain a Felling Licence or approval under a Forestry Commission endorsed Grant Scheme before felling trees.**

Before felling trees you should check with the Forestry Commission and confirm whether a felling licence is required. If a felling licence is issued, you may be asked to produce it during an inspection.

**Please Note:** SEERAD keeps these guidelines under review and changes can be introduced by amendments to underlying legislation. If you are in any doubt about how any of the guidelines may be applied to your own circumstances, you are advised to contact your local SEERAD area office for confirmation of the up-to-date guidelines in force.

## **Less Favoured Areas Support Scheme**

### **ENVIRONMENTAL LEGISLATION:**

#### **MINIMUM ENVIRONMENTAL STANDARDS (SCOTLAND)**

<b>Relevant Legislation</b>	<b>Subject</b>	<b>Enforcement Agency</b>
The Control of Pollution Act 1974 The Code of Good Practice for the Prevention of Environmental Pollution from Agricultural Activity	Pollution of water	Scottish Environment Protection Agency
The Groundwater Regulations 1998	Disposal or tipping Environmental Pollution	Scottish Environment Protection Agency Scottish Environment Protection Agency
The Control of Pollution (Silage, Slurry and Agricultural Fuel Oil) (Scotland) Regulations 2003	Storage and handling of these substances	Scottish Environment Protection Agency
The Action Programme for Nitrate Vulnerable Zones (Scotland) Regulations 2003	Measures to reduce nitrate leaching	Scottish Executive
The Wildlife and Countryside Act 1981	Damage to Sites of Special Scientific Interest; wildlife offences	Scottish Natural Heritage
The Conservation (Natural Habitats etc) Regulations 1994	Additional protection for SSSIs which are with Special Protected Areas (SPAs) and Special Areas of Conservation (SACs)	Scottish Natural Heritage
Part III of the Food and Environment Protection Act 1985 and the Control of Pesticides Regulations 1986	Misuse of pesticides	Health and Safety Executive & Scottish Executive
The Plant Protection Products (Scotland) Regulations 2005	Misuse of pesticides	Health and Safety Executive & Scottish Executive
The Clean Air Act 1993	Emitting dark smoke	Local Authority
The Hill Farming Act 1946	Muirburn	Scottish Executive & Local Authority
The Ancient Monuments and Archaeological Areas Act 1979 The Ancient Monuments (Class Consents) (Scotland) Order 1996	Damaging ancient monuments	Historic Scotland
The Water (Prevention of Pollution) (Code of Practice) (Scotland) Order 2005	Code of good practice (PEPFAA)	Scottish Executive
The Forestry Act 1967	Felling trees	Forestry Commission
The Welfare of Farmed Animals (Scotland) Regulations 2000	Standards for the welfare of farmed animals	Local Authority
The Welfare of Farmed Animals (Scotland) Amendment Regulations 2002	Special conditions for laying hens	Local Authority
The Welfare of Farmed Animals (Scotland) Amendment Regulations 2003	Special conditions for pigs	Local Authority

#### ENVIRONMENTAL CONTROLS

The legislative authority for LFASS lies in the EC Rural Development Regulations. One of the main objectives of these regulations is to maintain the countryside and promote sustainable farming systems which take particular account of environmental protection requirements. With this in mind, from 2004, **to qualify for LFASS you must comply with five new environmental conditions**. These measures (listed below) build on the Good Farming Practice Guidelines outlined in Annex C, and are aimed at maintaining landscape, biodiversity and habitats of conservation value, and at avoiding the consequences of overgrazing and unsustainable farming:

- to ensure the protection of rough grazing and other semi-natural areas, applicants must not undertake new drainage works, ploughing, clearing, levelling, re-seeding or cultivating. Livestock must be managed to avoid poaching to a level which would destroy the natural vegetation;
- also, to ensure the protection of rough grazings and other semi-natural areas, pesticides, lime or fertiliser must not be applied. Exceptions are allowed in the following circumstances:-
  1. To control weeds covered by the Weeds Act 1959:
  2. For the control of bracken with Asulam or other approved herbicides:  
or
  3. Exceptionally, the application of lime or fertiliser where no conservation damage will result.
- muirburn must comply with the Muirburn Code to protect and manage valuable habitats such as regenerating Scots pine, blanket bog and moorland juniper;
- participants must avoid damage to features of historical or archaeological interest and follow the Scottish Executive guidance on the protection of these areas; and
- participants must follow the Scottish Executive guidance on the prevention of Environmental Pollution from Agricultural Activity code to avoid or at least minimise the risk of pollution, through good management of nutrients and effluents.

Any of these works may be carried out if approved under the Environmental Impact Assessment (uncultivated and semi-natural areas) Regulations 2002.

These conditions bring LFASS applicants into line with the basic requirements of the Rural Stewardship Scheme.



## Less Favoured Areas Support Scheme

ANNEX E

### FRAGILITY MARKERS FOR PARISH CODE NUMBERS

	Very Fragile = Dark Gray				Fragile = Light Gray				Standard = No shading							
1	54	107	160	213	266	319	372	425	478	531	584	637	690	743	796	849
2	55	108	161	214	267	320	373	426	479	532	585	638	691	744	797	850
3	56	109	162	215	268	321	374	427	480	533	586	639	692	745	798	851
4	57	110	163	216	269	322	375	428	481	534	587	640	693	746	799	852
5	58	111	164	217	270	323	376	429	482	535	588	641	694	747	800	853
6	59	112	165	218	271	324	377	430	483	536	589	642	695	748	801	854
7	60	113	166	219	272	325	378	431	484	537	590	643	696	749	802	855
8	61	114	167	220	273	326	379	432	485	538	591	644	697	750	803	856
9	62	115	168	221	274	327	380	433	486	539	592	645	698	751	804	857
10	63	116	169	222	275	328	381	434	487	540	593	646	699	752	805	858
11	64	117	170	223	276	329	382	435	488	541	594	647	700	753	806	859
12	65	118	171	224	277	330	383	436	489	542	595	648	701	754	807	860
13	66	119	172	225	278	331	384	437	490	543	596	649	702	755	808	861
14	67	120	173	226	279	332	385	438	491	544	597	650	703	756	809	862
15	68	121	174	227	280	333	386	439	492	545	598	651	704	757	810	863
16	69	122	175	228	281	334	387	440	493	546	599	652	705	758	811	864
17	70	123	176	229	282	335	388	441	494	547	600	653	706	759	812	865
18	71	124	177	230	283	336	389	442	495	548	601	654	707	760	813	866
19	72	125	178	231	284	337	390	443	496	549	602	655	708	761	814	867
20	73	126	179	232	285	338	391	444	497	550	603	656	709	762	815	868
21	74	127	180	233	286	339	392	445	498	551	604	657	710	763	816	869
22	75	128	181	234	287	340	393	446	499	552	605	658	711	764	817	870
23	76	129	182	235	288	341	394	447	500	553	606	659	712	765	818	871
24	77	130	183	236	289	342	395	448	501	554	607	660	713	766	819	872
25	78	131	184	237	290	343	396	449	502	555	608	661	714	767	820	873
26	79	132	185	238	291	344	397	450	503	556	609	662	715	768	821	874
27	80	133	186	239	292	345	398	451	504	557	610	663	716	769	822	875
28	81	134	187	240	293	346	399	452	505	558	611	664	717	770	823	876
29	82	135	188	241	294	347	400	453	506	559	612	665	718	771	824	877
30	83	136	189	242	295	348	401	454	507	560	613	666	719	772	825	878
31	84	137	190	243	296	349	402	455	508	561	614	667	720	773	826	879
32	85	138	191	244	297	350	403	456	509	562	615	668	721	774	827	880
33	86	139	192	245	298	351	404	457	510	563	616	669	722	775	828	881
34	87	140	193	246	299	352	405	458	511	564	617	670	723	776	829	882
35	88	141	194	247	300	353	406	459	512	565	618	671	724	777	830	883
36	89	142	195	248	301	354	407	460	513	566	619	672	725	778	831	884
37	90	143	196	249	302	355	408	461	514	567	620	673	726	779	832	885
38	91	144	197	250	303	356	409	462	515	568	621	674	727	780	833	886
39	92	145	198	251	304	357	410	463	516	569	622	675	728	781	834	887
40	93	146	199	252	305	358	411	464	517	570	623	676	729	782	835	888
41	94	147	200	253	306	359	412	465	518	571	624	677	730	783	836	889
42	95	148	201	254	307	360	413	466	519	572	625	678	731	784	837	890
43	96	149	202	255	308	361	414	467	520	573	626	679	732	785	838	891
44	97	150	203	256	309	362	415	468	521	574	627	680	733	786	839	
45	98	151	204	257	310	363	416	469	522	575	628	681	734	787	840	
46	99	152	205	258	311	364	417	470	523	576	629	682	735	788	841	
47	100	153	206	259	312	365	418	471	524	577	630	683	736	789	842	
48	101	154	207	260	313	366	419	472	525	578	631	684	737	790	843	
49	102	155	208	261	314	367	420	473	526	579	632	685	738	791	844	
50	103	156	209	262	315	368	421	474	527	580	633	686	739	792	845	
51	104	157	210	263	316	369	422	475	528	581	634	687	740	793	846	
52	105	158	211	264	317	370	423	476	529	582	635	688	741	794	847	
53	106	159	212	265	318	371	424	477	530	583	636	689	742	795	848	





## Less Favoured Areas Support Scheme

### ANNEX F

<p>AYR Russell House King Street Ayr KA8 0BE</p>	<p>Tel: 01292 610188</p>	<p>LERWICK Charlotte House Commercial Road Lane Lerwick ZE1 0HZ</p>	<p>Tel: 01595 695054</p>
<p>BENBECULA Balivanich Isle of Benbecula PA88 5LA</p>	<p>Tel: 01870 602346</p>	<p>OBAN Cameron House Albany Street Oban PA34 4AE</p>	<p>Tel: 01631 563071</p>
<p>DUMFRIES Government Buildings 161 Brooms Road Dumfries DG1 3ES</p>	<p>Tel: 01387 274400</p>	<p>PERTH (Incorporating the former Dundee and Stirling areas) Broxden Business Park Lamberkine Drive Perth PH1 1RZ</p>	<p>Tel: 01738 602000</p>
<p>ELGIN 32 Reidhaven Street Elgin IV30 1VE</p>	<p>Tel: 01343 547514</p>	<p>PORTREE Estates Office Portree Isle of Skye IV51 9DH</p>	<p>Tel: 01478 612516</p>
<p>GALASHIELS Cotgreen Road Tweedbank Galashiels TD1 3SG</p>	<p>Tel: 01896 758333</p>	<p>STORNOWAY 10 Keith Street Stornoway Isle of Lewis HS7 2QG</p>	<p>Tel: 01851 702392</p>
<p>HAMILTON Cadzow Court 3 Wellhall Road Hamilton ML3 9BG</p>	<p>Tel: 01698 281166</p>	<p>THURSO Strathbeg House Clarence Street Thurso KW14 7JS</p>	<p>Tel: 01847 893104</p>
<p>INVERNESS Longman House 28 Longman Road Inverness IV1 1SF</p>	<p>Tel: 01463 234141</p>	<p>Head Office Address: Scottish Executive Environment and Rural Affairs Department (Hill Farming and Livestock Subsidies Branch) Pentland House 47 Robb's Loan EDINBURGH EH14 1TY</p>	
<p>INVERURIE Thainstone Court By Inverurie Aberdeenshire AB51 5YA</p>	<p>Tel: 01467 626222</p>		
<p>KIRKWALL Tankerness Lane Kirkwall Orkney KW15 1AQ</p>	<p>Tel: 01856 875444</p>		
<p>LAIRG Ord Croft Lairg Sutherland IV27 4AZ</p>	<p>Tel: 01549 402167</p>	<p><b>The code number of your holding should be quoted in any correspondence with the Department regarding your application for the payment of LFASS.</b></p>	