

FARMING IN PROTECTED LANDSCAPES

Summary: To present a summary of year 2 (2022/23) and an overview of years three and four which includes an extension of FiPL to March 2025 and an increase in the budget for 2023/24.

Recommendation: That the report is noted

Report by: Mark Connelly, Land Management Lead, Scott Brown, Farm Engagement Lead and Caroline Regan, Programme Administrator

Introduction

1. This report provides an overview of the Farming in Protected landscapes (FiPL) programme delivered by the CNL Board during 2022/23 and a forward look to year three, 2023/24 and to year four, 2024/25. 'FiPL at a glance' is attached as Appendix 'A'. Data is still being collated at the time of writing and some additional facts and figures may be available at the meeting of the Executive Committee.

FiPL Year 2 – 2022/23

2. The second year of the FiPL Programme officially concluded on the 31st March 2023 although work to process claims, finalise the year's finances, collate data and report to Defra continued through April and into May.
3. Year two was very successful. 49 applications were received, 31 considered by the panel and 8 applications under £5,000 assessed by the CNL's Land Management Lead. A total of £1.1m was awarded to 42 new projects with a value of £1.8m. The spectrum of projects supported was very broad, ranging from equipment for extensive grazing on small sites, supporting Zero-dig and Community Supported Agriculture and the restoration and creation of traditional orchards to a thermal imaging drone deer survey, a citizen science and arts festival on Minchinhampton and Rodborough Commons and a farm carbon audit. The list of FiPL projects on the CNL website will be updated to include those supported during 2022/23. https://www.cotswoldsaonb.org.uk/wp-content/uploads/2022/04/FiPL-Project-summaries-July-21-to-Mar-22_for-website.pdf
4. However, there were also 22 projects to monitor and manage claims for from the first year of FiPL. The FiPL team were therefore working with a total of 64 active projects during the year. A total of 31 projects completed during the year.
5. In January payment rates for both capital and revenue options in Countryside Stewardship (CS) increased, including for existing agreements. As a result, the team had to review all existing FiPL agreements that included CS items, calculate the increase in agreement costs and update and re-issue 13 revised agreements. The increase in CS rates for 2022/23 resulted in an additional cost in year 2 of £24,876 which was covered by additional funding from Defra. The total cost of the CS rate increase across the 13 projects over years 2 and 3 is £102,756.
6. Following adjustments for CS Rate increases the total revised budget for FiPL, including Admin and Advice & Guidance was £999,205. The sum available for grants increased from £857,084 to £878, 828. The total claimed by projects was £874,828, 99.6% of the budget. The total underspend for the year was £3,981, 0.4% of the budget, which will be returned to Defra.

FiPL Year 3 – 2023/24

- 2023/24 was to be the last year of FiPL. During the first two years awards were made to 33 multi-year projects due to complete during year 3 with a total grant allocation of £610,633. This left a budget for allocation to new projects of £154,000 after adjusting for the increase in CS rates. However, during the winter all protected landscapes were asked by Defra what we could potentially allocate during the year. As a result, the CNL allocation has been increased from £882,337 to £1,369,084, an increase of £486,747 which included corresponding increases for Admin and Advice & Guidance. We now have a project budget of £1,183,693 with £572,000 available for allocation during 2023/24, an increase of £418,601.
- Defra has also revised the threshold for FiPL officer project approval from £5k to £10k to help mitigate pressure on Local Assessment Panels as they are likely to need to review a higher number of projects given the budget increase.

FiPL Year 4 - 2024/25

- FiPL has proven very popular and successful and has been well received by Ministers. Discussions about a possible extension have been ongoing for some and confirmation finally came in January 2023 with the publication of the Environmental Improvement Plan. The confirmed allocation, received on 28th April, for the CNL is £2,010,940. This includes £85,499 for Admin, £158,695 for Advice & Guidance and £1,766,746 for allocation to projects.
- The total increase in FiPL funding for the CNL across years three and four is £2,497,686

Delivering FiPL during years 3 and 4

- Prior to final budget allocation confirmation, we were offered the opportunity to reprofile the Admin and Advice & Guidance budgets across years three and four. We knew we had to gear up during this year to allocate and spend the increase in this year's budget and particularly the allocation for 2024/25. We therefore took the opportunity and the split across the two years as is in the table below with year 2 for comparison.

	Total allocation	Total Admin	Total Advice & Guidance	Total project	Grant available for allocation
Yr 2	£999,205	£42,873	£77,371	£878,715	£557,483
Yr 3	£1,369,083	£66,211	£119,179	£1,183,693	£572,000
Yr 4	£2,010,940	£85,499	£158,695	£1,766,746	£1,766,746

- The increases in the Admin and Advice & Guidance budgets enabled us to confidently seek a successor to Iris McCormick who left the team in February but as a full-time Farm Engagement Officer post. The recruitment process is underway with an application deadline of Monday 12th June. We are also looking at recruiting later this year additional Admin support and potentially another Farm Engagement Officer.
- Currently 20% of the CNL's Land Management Lead's time and cost is allocated to FiPL. We also seek, where possible, to cover other costs to the CNL Board of running FiPL such as finance, communications and CNL admin. In light of the programme extension and increases in allocation, this is now under review.

FiPL Year 3 – progress to date

14. The FiPL panel met on 11th May. Six applications were assessed. All six were supported, with the panel allocating a total of £145,770 and a total project value of £189,753. Prior to assessing applications, the Panel discussed the requirements for the Panel in light of the increase in this year's budget and the allocation for year 4, Defra's reporting requirements and received a year 2 financial overview and a forward look at the finances for this year. The date of the next panel meeting has yet to be finalised.
15. The panel also discussed how applications for dry stone walling should be approached. The increase in CS rates for dry stone walling has led to an increase in enquiries and walling grants could potentially take up a significant proportion of the FiPL grant budget. It was agreed to:
 - Direct enquiries in the first instance to CS capital grants now that the limitations on the total sum that can be applied for has been revised;
 - Develop criteria to help prioritise applications to FiPL for walling;
 - Put a limit of 10% of the grant budget available over the next two years, circa £200K, for walling projects.

FiPL Years 3 and 4 – Communications and Engagement

Context

16. We are currently reformulating our communications and engagement plan in response to Defra's announcement (in January) that FiPL will run to March 2025, followed by the subsequent confirmation (in late April) of a significant increase to our budgets for both FY 23/24 and FY 24/25.
17. Just a few months ago, as we approached the programme's final year, we had allocated the vast majority of our total budget with a good pipeline of applications in development to utilise remaining funds. Consequently, comms and engagement priorities for FY 23/24 were expected to focus on managing live agreements and cementing the programme's legacy.
18. Although we knew an extension and budget increase was 'on the cards', faced with lots of uncertainty prior to the updates in January and April, we had to take a cautious approach to promoting the programme and managing stakeholder expectations.
19. We have not developed the level of engagement from potential applicants that we would ideally have at this point, to deliver the extra year and significantly increased budgets, as work on this would have begun many months ago.
20. Nonetheless, we are extremely excited by the opportunity and prepared to take this difficult challenge on.

Strategic approach

21. Our primary comms and engagement priority is to efficiently generate and manage enquiries that will lead to good quality grant applications and funding agreements, capable of utilising our total programme budget. We must also continue managing existing live agreements.
22. Our secondary comms and engagement objective is to raise awareness of Agricultural Transition, the role of the CNL team and our ability to administer Defra funds effectively, especially among the 'hard to reach'.
 - We mainly aim to achieve this by successfully delivering our primary objective – i.e. by providing a high level of service to our customers and maintaining a good reputation.

23. Our intention is to support a diverse range of projects, demonstrating:
 - A balanced delivery of outcomes across the themes of climate, nature, people and place, aligned with CNL priorities.
 - A representative selection of farm types and sizes, throughout the CNL.
24. The next 12 months will be the most critical period. This is when we must aim to successfully identify – and ideally approve – the vast majority of projects that will utilise our total remaining budget for both FY23/24 and FY 24/25 (approx. £2.2m).
 - Our approach to comms and engagement will be significantly influenced by this, as the limited availability of time and staff resource means we must be extremely efficient at turning enquiries into agreements.
25. We do not want to enter FY 24/25 with a large amount of funding to allocate, as the opportunity to generate new leads, process applications and spend funds will rapidly diminish.
26. From experience to date, we know that promoting the programme and generating new enquiries is the relatively ‘easy’ bit. The combination of our own contacts database, networks, national PR and ‘word of mouth’ already enable us to reach a very wide audience.
 - To build on this further, we are also requesting access to RPA data that will give us contact details for all landholdings in the CNL. This will be particularly useful for targeted engagement (see below).
 - We will organise one or two promotional events in person and/or online, but we do not intend to deliver a programme of events (either in-person or online), due to the large burden this would place on staff to organise and run them, as well as the limited expected benefits for generating new leads in the short to medium-term (direct comms is much simpler and efficient in this regard).
 - We will continue to attend events organised by others that provide us with an opportunity to promote the programme, such as cluster group meetings.
27. Maintaining a manageable level of enquiries that we can successfully develop into good quality grant applications and funding agreements is by far the greater challenge, placing the most demand of staff resources.
 - It is widely recognised that that by offering one-on-one support from local advisors, combined with the programme’s breadth and flexibility, FiPL is inherently inclusive and well suited to supporting people that are often described as ‘hard to reach’. But this does come at a cost in terms of time and staff resources required to develop and process applications.
28. Although our staffing budgets have increased for FY 23/24 and FY 24/25, they are still the same proportion of our total budget as in previous years. We must be cautious not to over-commit to other/new tasks – ensuring that we have capacity to process enquiries and provide a consistency high level of service to applicants remains our priority.
29. A large influx of new enquiries could quickly undermine the team’s ability to maintain a good level of service, especially to those applicants that require more support. We must take a measured approach, balancing our desire to reach new audiences with the need to quickly identify and process the most viable and desirable opportunities.
30. We have around 50 projects currently in the pipeline that could have an estimated grant value of around £2m. However, for various reasons, we know that many of these won’t convert into funded projects.
 - Aiming to double this figure would be a good starting point to ensure we have enough interest to deliver the programme, with good quality projects,

encouraging a little competition but not too much. This would be comparable to what we have supported to date.

31. We also have several 'live' multi-annual projects that may want an extension.

Targeted engagement

32. While we would prefer to build engagement in a clearly considered and targeted way, particularly with a view to addressing any underrepresented areas of delivery and engaging more of the 'hard to reach', our capacity to deliver the programme in this way is restricted by the availability of time and staff resources.

33. We are in the process of reviewing audience engagement with the programme to date, looking at supported projects, enquiries and feedback, to assess where more targeted engagement may have the most benefit and impact, enabling us to prioritise these areas.

- We will be looking at geographic spread, outcomes delivered, farm/landholding type and size, etc.

34. Subject to further review, while we are aware that there are lots of potential applicants we have not yet engaged, we are pleased with the diversity of enquiries and projects supported to date, which ranges from new entrants to large estates, and does include many examples of those who may be described as 'hard to reach':

- People who have not taken part in Defra schemes before
- People who couldn't or didn't want access other schemes for various reasons
- People who were concerned about having to deal with excessive 'bureaucracy'
- People who were sceptical about what was on offer and the benefits
- People who needed extra support to develop their proposal

For example, some of those that have successfully applied have delivered:

- New permissive paths
- Conservation grazing (inc. new entrants)
- Ecological surveys
- Traditional orchard conservation
- Restoration of historic features
- Species rich grassland creation
- Hedge planting

35. We aim to have concluded our review and determined our approach and priorities for more targeted engagement within the next few weeks.

Supporting documents:

- Appendix 'A' FiPL at a glance (May 2023)

MAY 2023