

Date: 21 November 2008
Our ref:
Your ref:



Sir Harry Studholme,
Chair, South West Chamber of Rural
Enterprise,
Darts Farm Village,
Topsham,
Exeter EX3 0QH

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Dear Harry,

Re: Environmental Funding Gap

I am writing on behalf of Helen Phillips in response to your letter to her dated 7th November 2008 concerning the above. For ease of reference I will respond under four headings that cover the areas outlined in your letter.

Gap between Entry Level Stewardship (ELS) and Higher Level Stewardship (HLS)

- ELS is the more suitable option for quite a lot of land, particularly Environmental Sensitive Areas (ESA) tier 1 Land.
- There is a good match between HLS priority targets and Country Stewardship Scheme (CSS)/ESA land, particularly the latter, thus resulting in the land being a priority for us in the future.
- HLS targeting also operates on a theme basis consequently if CSS/ESA land is not in a mapped target area, it may fit with one of these schemes.
- We are moving to a process whereby all CSS/ESA agreement holders will be contacted in advance of the expiry of their agreement and their options discussed.
- Natural England (NE) is looking at options for a lighter touch HLS that could be appropriate for such a situation. This investigation is in its early stages.
- Most importantly, NE does have significant funds at our disposal over the next few years and we will actively work with partners to spend these funds where it will deliver the most environmental benefit.

Rising scale of payments

As defined, this would be a fundamental change to the structure of ES. It suggests that points become the basis for HLS as well as ELS. There are obvious concerns within Defra, NE and the EC, about such a change being made only two years into a 7 year programme and it is likely to reduce flexibility when increasingly we are looking to secure more "bespoke" outcome focussed agreements.

Capital Works

The same issue as above applies. However, we are consulting shortly on a proposal to include capital items in ELS.

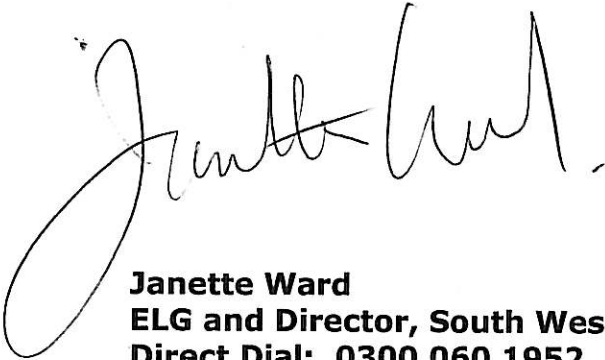
Extend existing CSS/ESA agreements until we make changes

The concerns expressed about changes being made only two years into the programme also applies to the above. I can confirm that NE and Defra are clearly committed to ES and would not wish to extend existing CSS/ESA agreements even if we were able to. They were all set up under an extant Regulation (the ERDP) and are schemes that are closed to new applications (which is what these would effectively become).

The key is that we also recognise the issue, and we are working within the current ES scheme to address it.

I do hope that this explains our position and answers your questions. Please do contact me if you require any further clarification.

Yours sincerely,



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