

**EXMOOR NATIONAL PARK AUTHORITY****20 JULY 2004****A REVIEW OF MANAGEMENT AGREEMENTS****Report of the Head of Conservation and Land Management****Purpose of Report:**

To update Members on existing management agreements, the new England-wide National Park Agri-environment Scheme and to seek approval to renegotiate agreements as necessary to comply with EU State-aids regulations

**Legal Implications:**

The actions recommended in the report are necessary to ensure that all the Authority's Management Agreements comply with European Union State-aids Regulations.

**Financial Implications:**

None, as it is expected that the total payments made under the renegotiated agreements will not exceed existing budgets. Should this not be the case individual agreements will be referred back to the Authority.

**Human Rights Act 1998 Implications:**

None

**National Park Purposes:**

The management agreements were entered into to conserve and enhance natural beauty, wildlife and the cultural heritage, and in some cases to enhance the enjoyment and understanding of the special qualities of the National Park.

**RECOMMENDATION:**

That the Authority NOTES the information in this report and AUTHORISES the National Park Officer to renegotiate those management agreements that do not comply with State-aids regulations.

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**1. INTRODUCTION**

- 1.1 In 2002 it was realised by the Department for the Environment, Food and Rural Affairs (DEFRA), that management agreements in all National Parks needed to be approved by the European Union (EU) under State-Aids Regulations. This was contrary to advice received from the former Ministry of Agriculture, Fisheries and Food (MAFF) in the mid-1990s.
- 1.2 The past payments under existing agreements have now been notified to the EU and await approval. To regularise the situation a new agri-environment scheme covering all National Parks in England and Wales was drawn up. This received approval from the EU in the spring.
- 1.3 All new management agreements should follow this format and use the approved payments. All existing agreements need now to be renegotiated so that they comply with the approved scheme.

**2. EXISTING AGREEMENTS**

- 2.1 Management agreements were one of the Authority's main ways of preventing the ploughing and agricultural improvement of moorland. Most agreements were concluded in the early 1980's and have now run their twenty-year term and the land has now been entered into the Environmentally Sensitive Area (ESA) schemes run by DEFRA.
- 2.2 There are only two ENPA management agreements remaining, covering 72 hectares of moorland and one expires in 2005, the other in 2007. A further two moorland agreements over 45 hectares were entered into to retain an important car park, viewpoint and adjoining heathland and to prevent winter feeding damage. These agreements have 5 and 8 years to run.
- 2.3 In addition, there is an agreement covering a coastal site and a similar one is in the final stages of negotiation. Together these cover some 56 hectares and are both in line with the approved model, so will not need to be changed to comply with State-Aids regulations.
- 2.4 There is one woodland management agreement covering 18 hectares and an agreement covering an important archaeological site of some 4 hectares.
- 2.5 There are also eight farms in the Authority's Farm Conservation Scheme with management agreements covering 763 hectares. All of these agreements will have expired by 2013. (The other 10 farms originally in the scheme have now entered the ESA scheme).

### 3. **PROPOSED ACTION**

- 3.1 It is proposed that the Authority should allow the two original ploughing agreements to run their course. Discussions will be entered into on the remaining agreements to ensure that they comply with the new scheme, or enter the new Environmental Stewardship Scheme.
- 3.2 The cost of calculating the payments for the original management agreements, which is done by the Centre for Rural Research of University of Exeter, based on a survey of at least 30 Exmoor farms, can no longer be justified for two agreements. The Centre has suggested that data from their Farm Business Survey of farms in the South West adjusted for Exmoor could be used in future. The National Farmers Union and the Country Landowners and Business Association have agreed to the proposal.
- 3.3 The Farm Conservation Scheme agreements will need to be renegotiated on the basis of the new National Park scheme. It is proposed that this process takes place during the next six months. This will allow the existing agreement holders to compare what is on offer through the new Environmental Stewardship Scheme before committing themselves to a new agreement with the National Park Authority.
- 3.4 Woodland agreements and the access element of other agreements are covered by different State-aids regulations and do not need to be modified.
- 3.5 All renegotiation should be on the basis that the existing agreement holders will not be worse off than under the current agreement. To achieve this there will need to be some changes to the various elements of the proposals for each farm and it may be necessary to submit some additional options as modifications to the new scheme. In some cases there may be the possibility for the farm to enter Environmental Stewardship with a top-up from the National Park.
- 3.6 Should savings be made as part of these renegotiations by farms leaving the NPA agreements for the new Environmental Stewardship Scheme, it is proposed that these resources are used to add value to existing DEFRA-funded schemes through a top-up agreement. Any such agreements would be authorised by the National Park Officer after consultation with the Food, Farming and Land Management Panel.

**David Lloyd**  
**Team Leader (Moorland and Wildlife) 2 July 2004**