AGRICULTURAL REFORM PROGRAMME REGIONALISATION OPTIONS
Baselines and Characterisations

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Policy Purpose of the Baseline Analysis

- **Purpose**
  - Define and communicate the state of play – shape of the payment system as it stands.
  - Place Base (Tier 1) in the context of other schemes (e.g. LFASS)
  - Identify any limitations of the current system(s) of regions
- **Baseline Analysis** in two parts
  - **Areas and Payments** – how funds are distributed using the existing area based and other payment mechanisms.
  - **Characterisation** – regions relative to other phenomena e.g. – land capability for agriculture, activity, urban-rural classification, etc.

List of Dashboard Charts

Topics	Dashboards	Focus	No	
Areas	Areas and Entitlements	All Regions	1	Areas – land use, BPS claimed, net entitlements, LFASS. For each Farm Type, Region and Size Class.
		BPS Region 1	1.1	
		BPS Region 2	1.2	
		BPS Region 3	1.3	
Mix of Basic Payment Scheme (BPS) regions	BPS Regions Characteristics	Area	2.1	Mix of BPS per region. Areas and spend on payments in those areas.
		Spend	2.2	
Other Views	Relative Region Mix	Area	3.1	Mix of BPS regions using areas or spend, shown as both values (ha/£) and percentages
		Spend	3.2	
Specific Options	Less Favoured Area Support Scheme (LFASS)	Area	4.1	BPS mix of the LFASS area
		Entitlements	4.2	Spend on BPS regions and LFASS
	Upland Sheep (SUSSS)	Payments	5.1	Distribution of Upland Sheep spend
		Counts	5.2	Counts of Upland Sheep recipients
	Split of BPS Region 1	Areas	6	Splitting BPS Region 1 into crops and grass

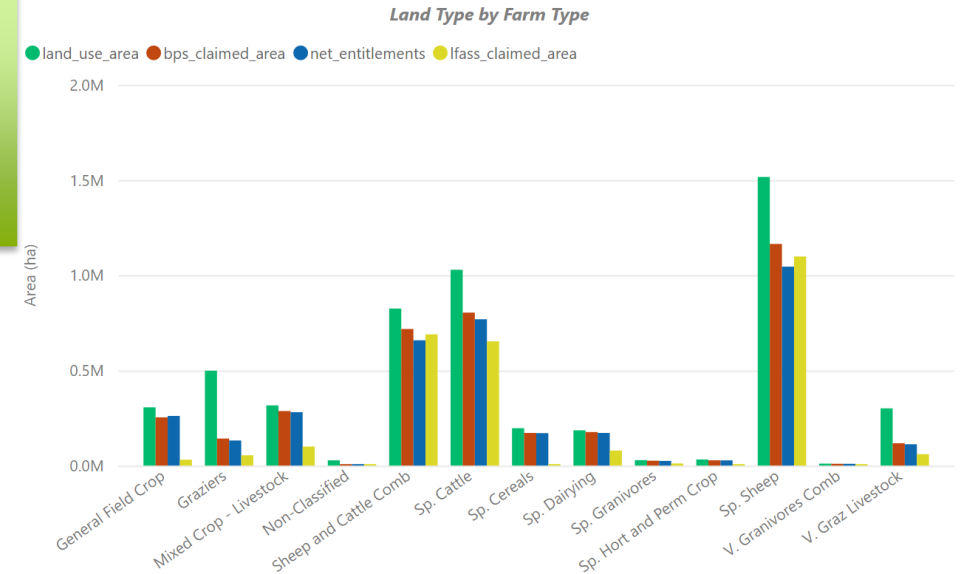Charts in grey available but not presented.

1. Areas and Entitlements

**Charts by Agricultural Region, Farm Type and Class Size**

1. Areas Types:
Land Use – has crop codes from SAF;
BPS claimed;
Net Entitlements after reductions to RGR;
LFASS claimed
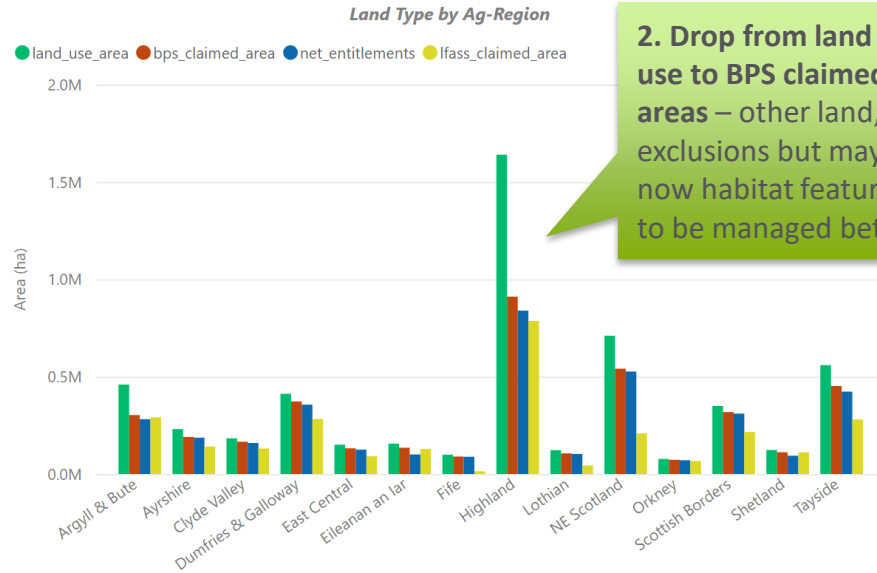
2. Drop from land use to BPS claimed areas – other land, exclusions but maybe now habitat features to be managed better

Land Type by Ag-Region

● land_use_area ● bps_claimed_area ● net_entitlements ● lfass_claimed_area

Land Type by Farm Type

● land_use_area ● bps_claimed_area ● net_entitlements ● lfass_claimed_area

Land Type by Class Size

● land_use_area ● bps_claimed_area ● net_entitlements ● lfass_claimed_area

3. Concentration of land ownership in area terms – area-based payments favour larger businesses.
NOTE – range of land quality possible within 500+ ha
Mix of BPS Regions matters – 500 ha of Region 1 not the same as 500ha of Region 3
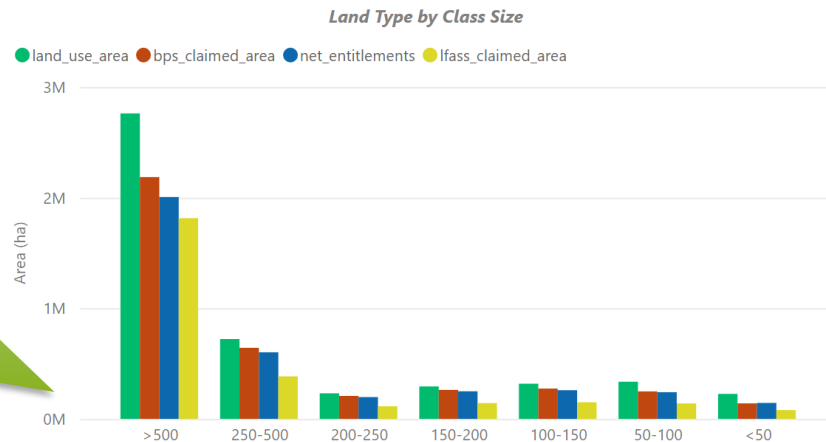
Land	Region1	Region2	Region3	Total
land_use_area	1.89M	1.03M	2.50M	**5.42M**
bps_claimed_area	1.71M	0.80M	1.45M	**3.96M**
net_entitlements	1.67M	0.78M	1.27M	**3.72M**
lfass_claimed_area	0.77M	0.77M	1.29M	**2.82M**

4. Extra ~1.1M ha beyond the land use area – mapped in LPIS but beyond SAF, **0.35M of UAA** beyond LPIS, **7.8M ha all land**.

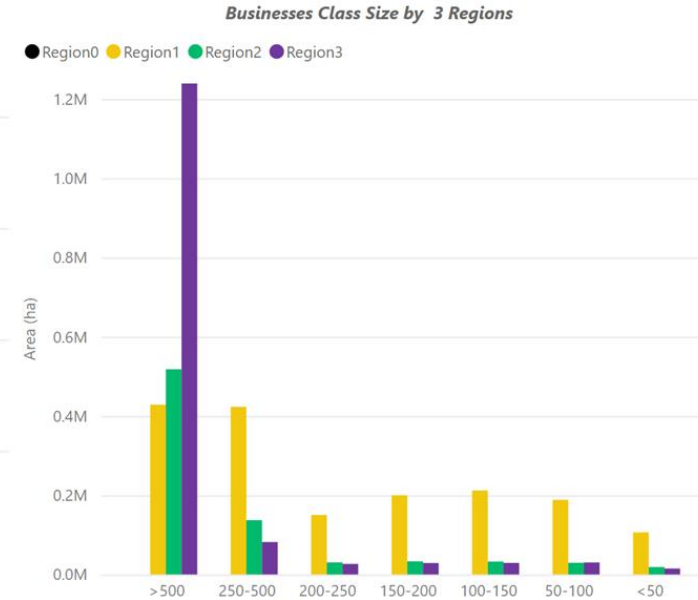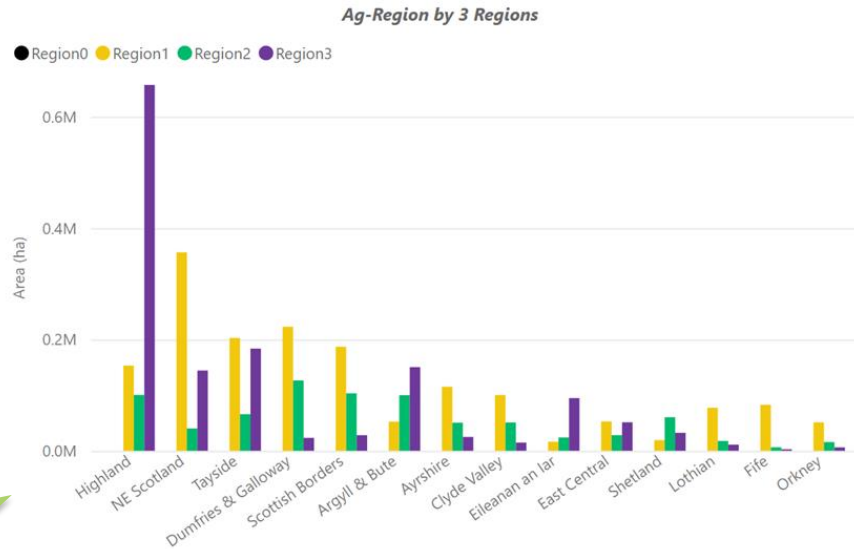| 5.42M	3.96M
3.72M	**2.82M**
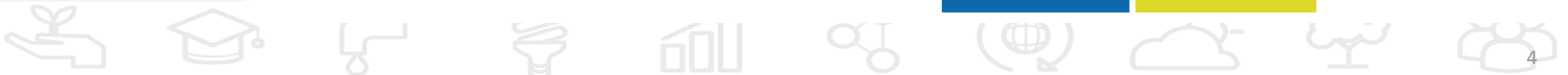
2.1 BPS Region Characterisation (Area)

1. **Breaks down the BPS Claimed Areas** (from Slide 4) **per BPS region** – in hectares**.**

2. Even only three regions generates **distinctive profiles** – especially for Agricultural Region.
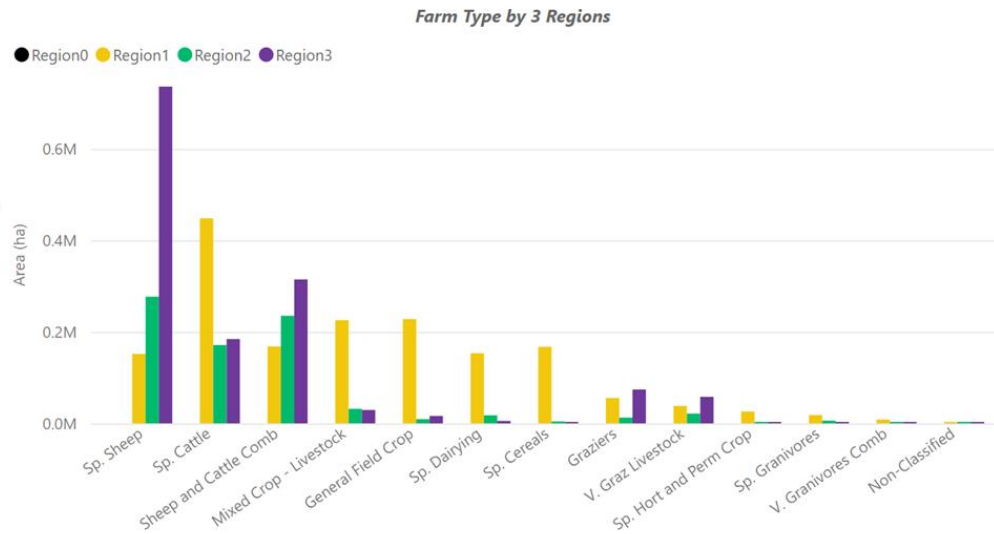
Note changes in Y-axis scales.

3. Some **linkage of BPS region with Farm Type** but again caution, **degree of agricultural use** of available BPS region land varies.
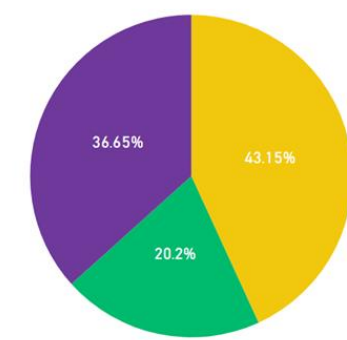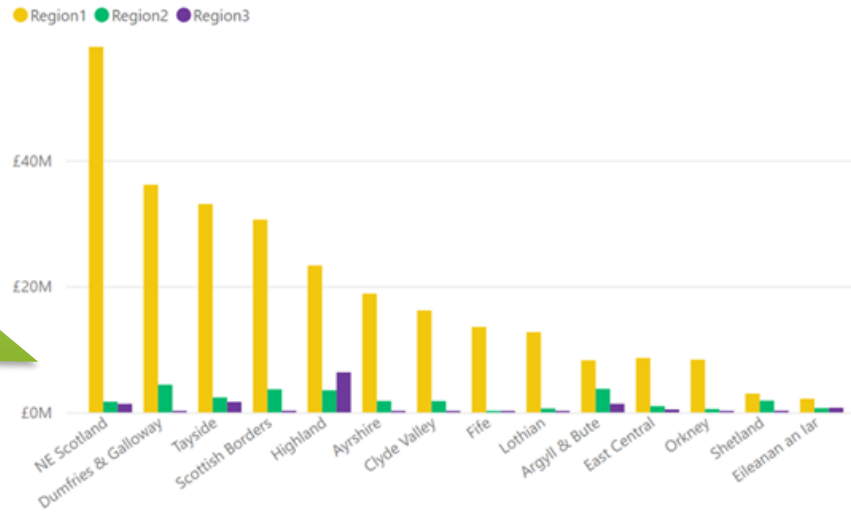
2.2 BPS Region Characterisation (Value)

1. **Alternative view** based on **spend (£'s)** – dominance of BPS Region 1

87% of spend on 43% of land

With EC – **can 43% of land area deliver 87% of objectives.**

Regional Breakdown
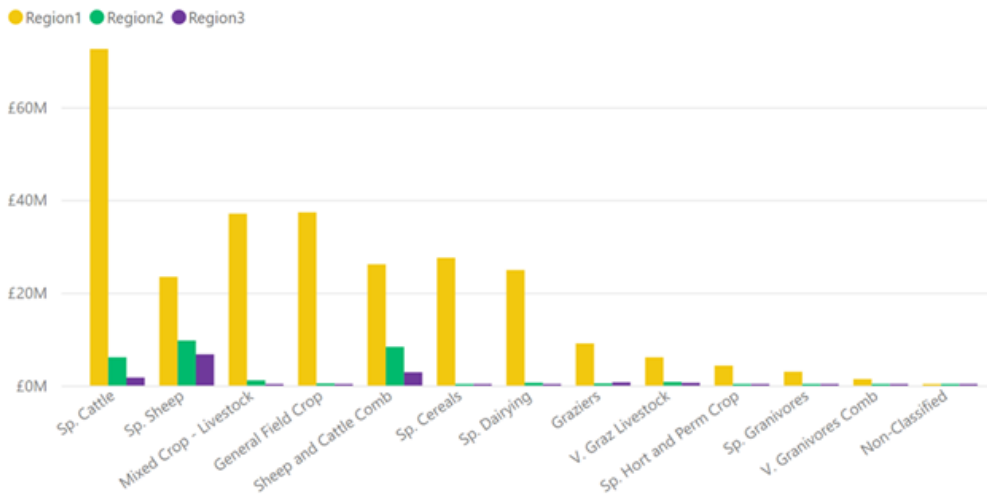
Ag-Region by 3 Regions
Region1 Region2 Region3

NE Scotland, Dumfries & Galloway, Tayside, Scottish Borders, Highland, Ayrshire, Clyde Valley, Fife, Lothian, Argyll & Bute, East Central, Orkney, Shetland, Eileanan an Iar

Businesses Class Size by 3 Regions
Region1 Region2 Region3

>500, 250-500, 200-250, 150-200, 100-150, 50-100, <50

Farm Type by 3 Regions
Region1 Region2 Region3

Sp. Cattle, Sp. Sheep, Mixed Crop - Livestock, General Field Crop, Sheep and Cattle Comb, Sp. Cereals, Sp. Dairying, Graziers, V. Graz Livestock, Sp. Hort and Perm Crop, Sp. Granivores, V. Granivores Comb, Non-Classified
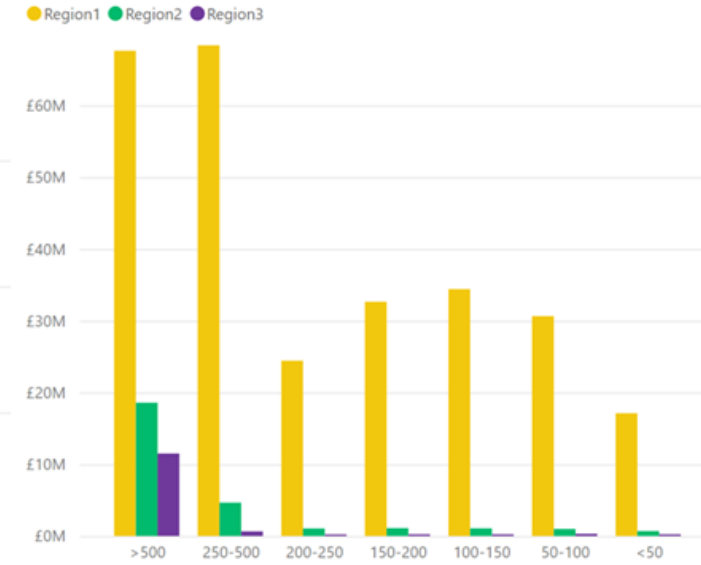
Percentage of Businesses by Regions
Region1 Region2 Region3

4.23%
8.92%
86.85%
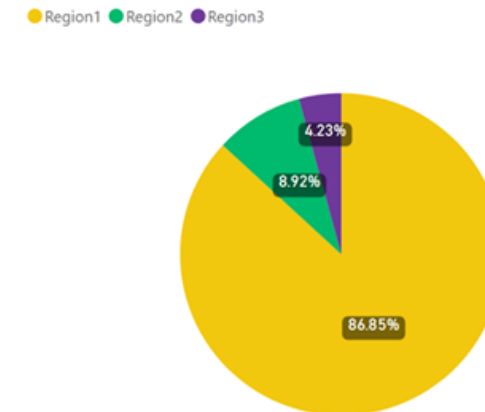
3.1/3.2 Region Mix (Payments and Area)

1. Shows Relative importance of BPS regions by using % of Area and % of Spend.

2. Combined view – comparing area mix and spend.

3. Highlights where **BPS Region 2 is significant** – e.g. Shetland and **regions where BPS Regions 2 & 3 combined are key –** e.g. Western Isles and Argyll and Bute**.**

4. Highlights **region mix** for **less extensive Farm Types** – e.g. horticulture and granivores.

4.2 LFA Region - LFASS & BPS Spend

1. Spend for the **LFA area only** – LFASS **relative importance** versus BPS Region 1 or Regions 2 & 3

Putting LFASS in the **same context** as other area based (CAP Pillar 1) **Direct Payments**

2. Importance to **Argyll & Bute**, Shetland and Western Isles

3. Is LFASS **intent** to support smaller and most marginal – but **favours cattle over sheep** and **largest size classes**

LFASS Businesses only
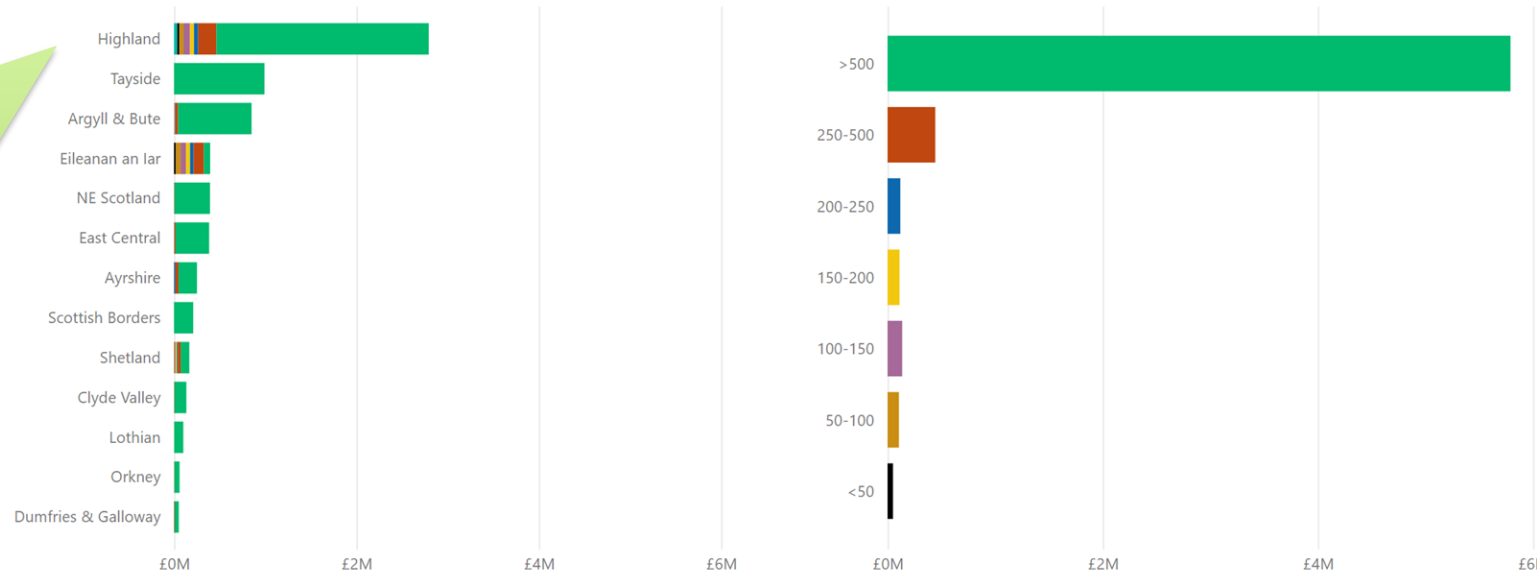
← *LFASS Characterisation*
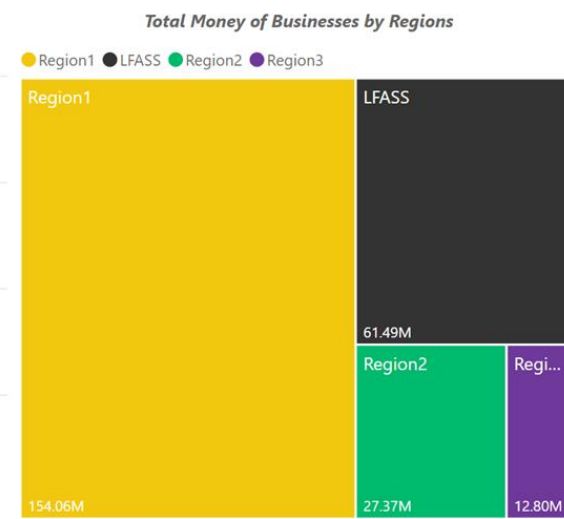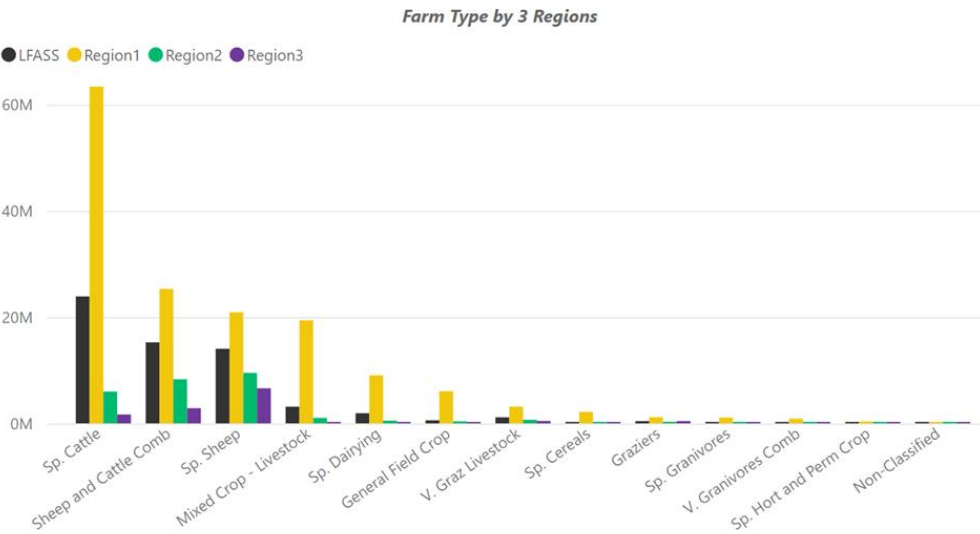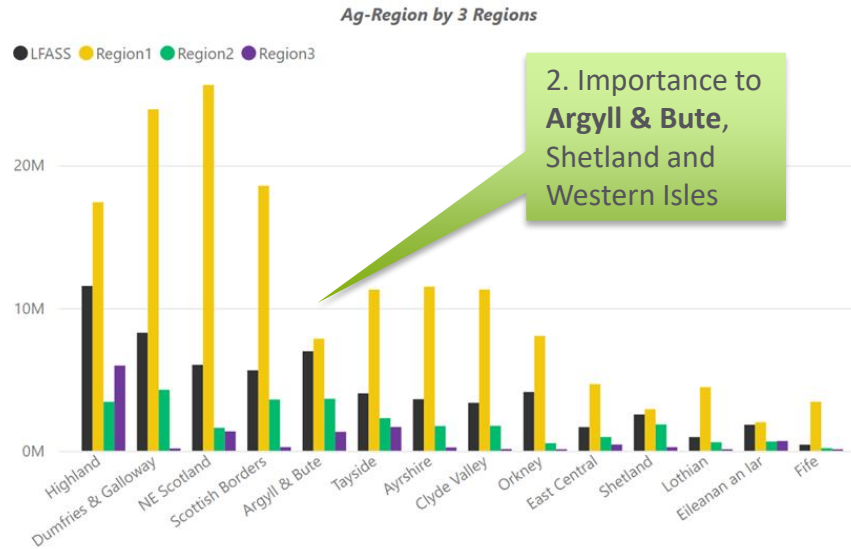
255.71M Total Money

10.69K Number of Businesses
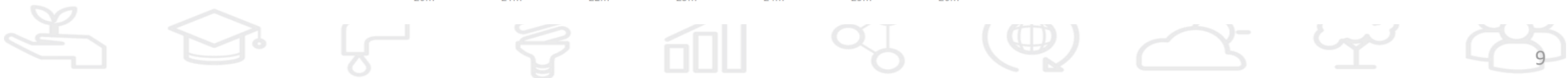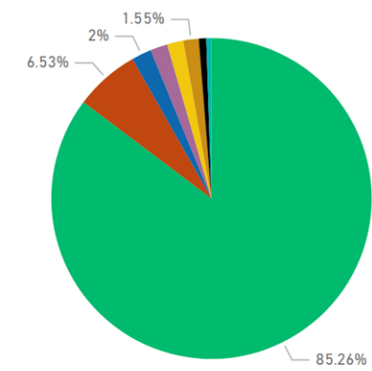
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5.1 Upland Sheep (SUSSS) - Payments)

1. Most of Upland Sheep (SUSSS) - **paid** to the **largest businesses** 85% (5.79£M of 6.79£M) to 36% (395 of 1075).

Windfall or **effective policy** to support the biggest businesses in areas that are key to **viability of services** (e.g. vets etc)

Total SUSSS

Count of SUSSS

£6.79M
Total SUSSS
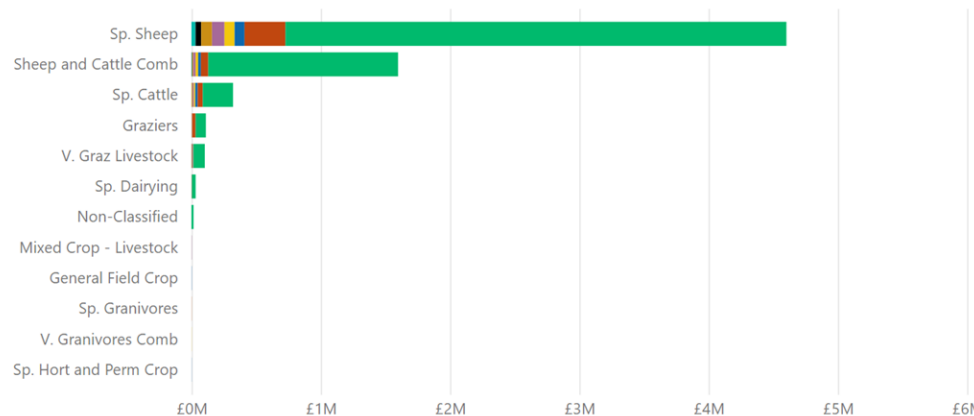
Baseline Characterisations

- Peatland Condition*
- **Land Capability for Agriculture**
- **Land Cover**
- Land Activity (in IACS)
- **Less Favoured Area** (Disadvantage and Fragility)
- **Urban Rural Classification**
- Socio-Economic Performance

*Grey characterisations not presented

Land Capability for Agriculture

Land Cover

Less Favoured Area (Disadvantage and Fragility)
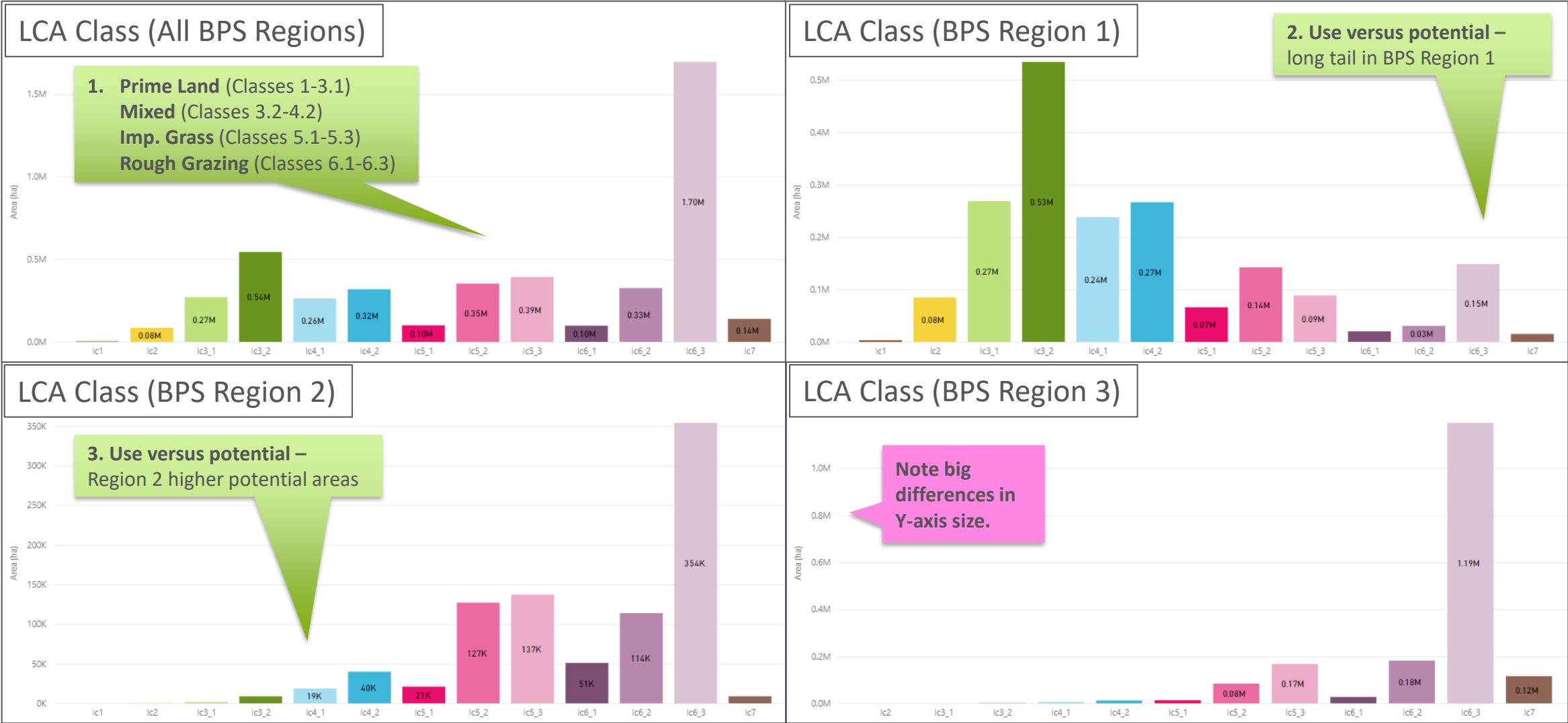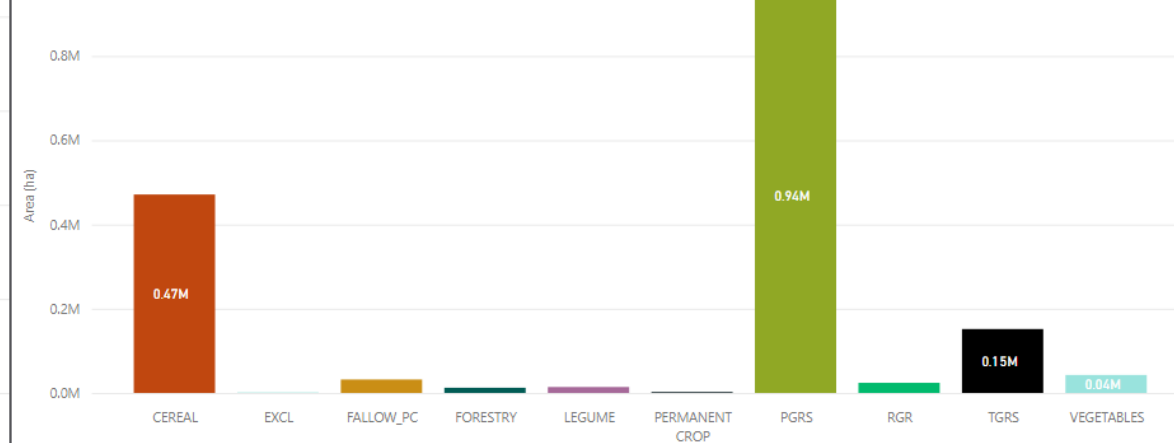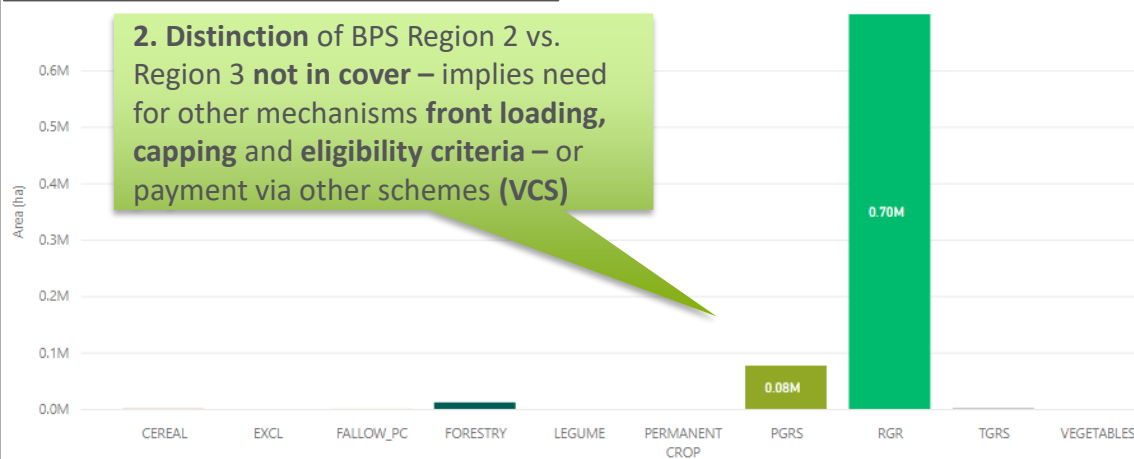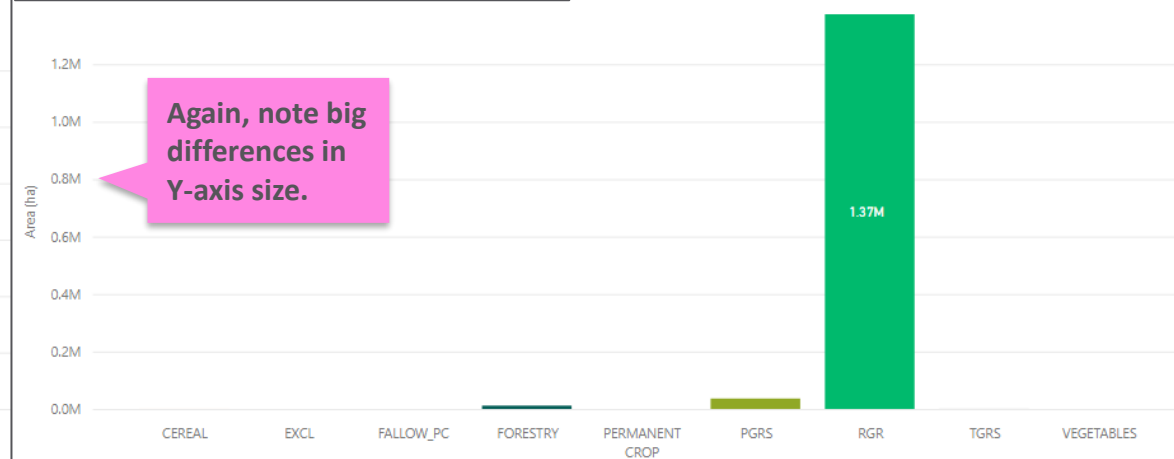

Disadvantage Regions

1. **Dominance of severe disadvantage** – reconsidered in ANC analysis – option for more **focused (smaller area)**

(bar chart values: nlfa 0.71M, lfa_d, lfa_sd 3.71M)

Fragility Regions

2. **Very fragile only for Islands** but may be worth considering the fragility of **very remote mainland**, and which "islands" no longer require sea transport to access.

(bar chart values: standard 2.33M, fragile 1.44M, very_fragile 0.77M)
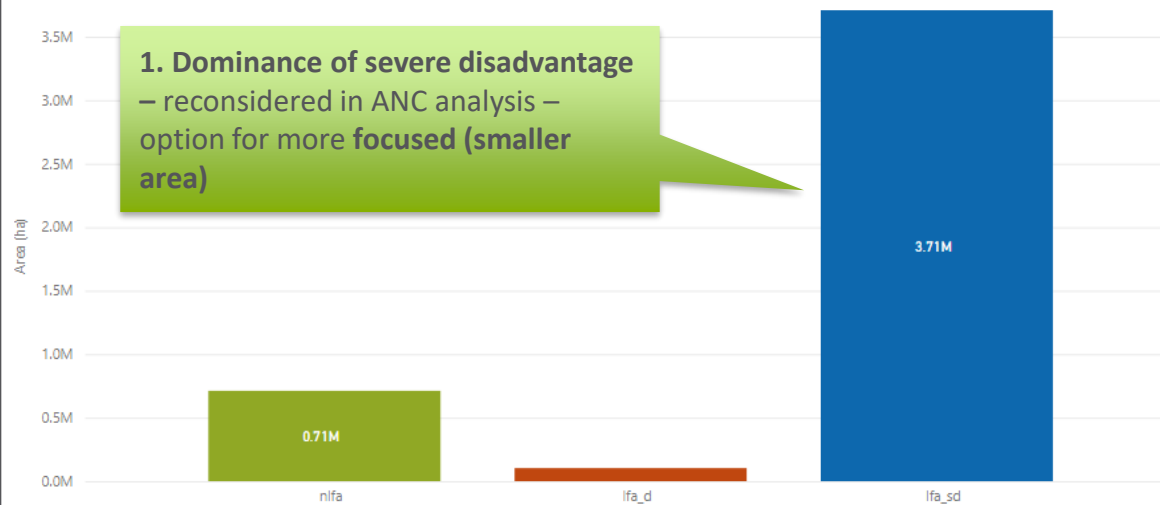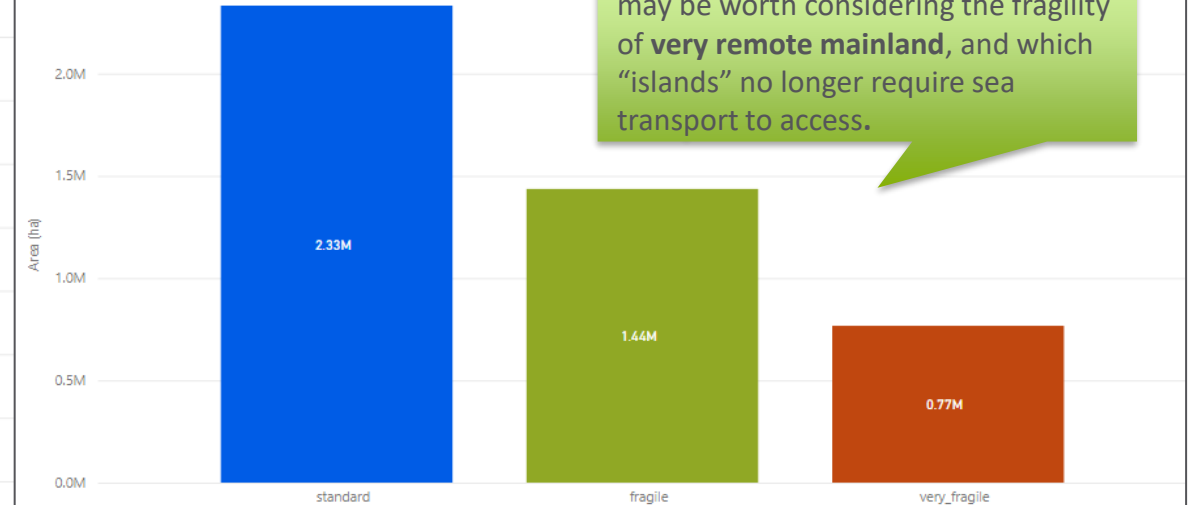
Combined Disadvantage and Fragility

3. More nuance within severe disadvantage but in effect a **9-fold classification**

(bar chart legend: standard, fragile, VeryFragile; values: nlfa 0.63M, lfa_d, lfa_sd 1.60M / 1.33M / 0.76M)
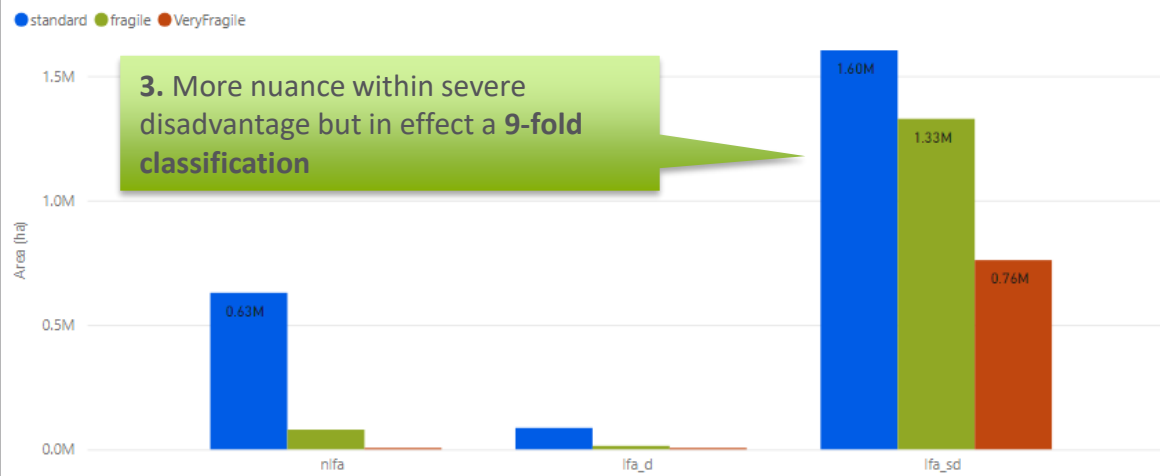
4. **Combination of BPS regions and fragility** – considered in **previous ANC analysis** – nuances within BPS regions.

Basic Payment Region & LFA Parish Fragility

Basic Payment Region & LFA Parish Fragility
- BPS Region 1, Standard
- BPS Region 1, Fragile
- BPS Region 1, Very Fragile
- BPS Region 2, Standard
- BPS Region 2, Fragile
- BPS Region 2, Very Fragile
- BPS Region 3, Standard
- BPS Region 3, Fragile
- BPS Region 3, Very Fragile

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Urban-Rural Classification

Urban-Rural (All BPS Regions)

1. **Accessible Rural** – 30 mins to 10k town
   Remote Rural – 30-60 min to 10k town
   Very Remote Rural – >60 mins to 10k town

Area (ha)

- Accessible Rural Areas: 1.10M
- Remote Rural Areas: 1.04M
- Very Remote Rural Areas: 2.47M

Urban-Rural (BPS Region 1)

2. ~**90%** of **Accessible Rural in BPS Region 1** – both better quality land and off-farm opportunities

Area (ha)

- Accessible Rural Areas: 0.96M
- Remote Rural Areas: 0.49M
- Very Remote Rural Areas: 0.46M

Urban-Rural (BPS Region 2)

Area (ha)

- Accessible Rural Areas: 0.11M
- Remote Rural Areas: 0.35M
- Very Remote Rural Areas: 0.42M

Urban-Rural (BPS Region 3)

3. Unless businesses are **very extensive** then support payments in very remote rural will **not determine business viability** and **cannot fund** meaningful delivery of **climate and biodiversity outcomes**

Again, note big differences in Y-axis size.

Area (ha)

- Accessible Rural Areas: (near 0)
- Remote Rural Areas: 0.20M
- Very Remote Rural Areas: 1.58M

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Further research in the RESAS Strategic Research Programme 2022-27, in the Land Use Transformations (C3-JHI-1) and Land Reform (E3-JHI-1) projects.

Land Use Transformations - Storymaps Collection, with Land Use Change Scenarios, Adding Farm Structure to Land Use Change, Peatlands and Payments, Updating Peatland Condition Mapping , Updating Land Capability for Agriculture and Climatic Water Balance in Scotland.

Website for Agrometeorological Indicators across the UK under current and future conditions.

The Review of Land Ownership Data in Scotland.

Previous related analyses are from the Hutton Land Systems Research Team website - https://ics.hutton.ac.uk/research/land-systems-research-team/

The sets of slides and maps generated in Agriculture Policy analysis from 2010 onwards are available from - https://ics.hutton.ac.uk/research/land-systems-research-team/cap-analysis/

For woodland expansion analysis see - online mapping and paper.