

Feature

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Cross compliance jeopardy



Sophia Gallia investigates the implications for failing to comply with Defra rules

DEFRA'S TERM 'CROSS COMPLIANCE' REFERS to the requirement for farmers and land managers to comply with certain management processes to qualify for the Single Farm Payment (SFP) and other payments. This relates to a number of areas, including the environment and animal welfare, over which gamekeepers have influence.

Putting these payments in jeopardy by failure of cross compliance can have sobering implications for a farm, as many rely on their SFP to stay profitable.

If, for example, a breach is reported, this provides Defra with the perfect excuse to slash the SFP. If the farm allowed the breach, it is liable in this respect. To be clear, the breach doesn't have to be done by the farm, it could just as easily be the shoot on the same ground, even if the two are run totally separately. In Defra's eyes, the liability rests with the SFP claimant.

Defra has a table for their inspectors to use to fix the payment reduction when a breach has occurred. These fall into 'intentional' breaches and 'negligent'

breaches. Not surprisingly, the ramifications for 'intentional' are more significant than for 'negligent'. These are then divided into severity of the breach (very low, low, medium, high), and finally whether it is 'permanent' or 'rectifiable'.

A negligent, first time breach that is very low severity and is rectifiable would prompt a warning letter from Defra. But from there on upwards, it gets rather more serious. Once you get into 'intentional' territory, it's positively nasty! Such an offence may result in a total loss of SFP, depending on the factors mentioned. Even 'negligent' breaches command a pretty severe reduction on payments if repeated. It's worth noting too that these penalties don't affect just the current year, but *every* year following.

Let's take what might appear a fairly innocent example. A gamekeeper uses some stone from a wall that has seen better days to patch up a track used for the shoot. This breach is certainly 'intentional', it's likely to be 'rectifiable' (ie. the stone can be returned), and Defra – which will be the judge here

– decides that the breach is 'low' severity. According to Defra's table, that would mean a drop of 20% in the SFP from then on. A repeat of the same breach would reduce the SFP by 60% and if it happens a third time, the SFP would be gone! You can imagine that penalties are somewhat heftier when breaches involve protected wildlife...

So what does all this mean in financial terms? The SFP on a 200-hectare farm (around 500 acres) would be around £40,000 per year (broadly speaking £200/hectare). Doing the sums, the SFP might be worth rather more than a keeper's wages!

CROSS COMPLIANCE

It is worth keepers having a copy of *The Guide to Cross Compliance in England*. For a copy, telephone 0845 603 777. It is also available on-line at the Rural Payments Agency website www.rpa.gov.uk (search 'cross compliance').