Modelling of scenarios for the regionalisation of the Basic Payment Scheme in Scotland

Keith Matthews and Dave Miller
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Introduction

- Scenario Analysis - elements
- Step 1 - Defining Regions
- Step 2 - Defining Budgets
- Headline Results – Areas, Budgets and Rates
- Selected Scenario Analyses – Consequences for Sectors
  Geographical regions and by Farm Size
- Key Messages

Caveats – no final decisions taken, none of the options as they stand may be taken up, presented to inform the stakeholder-policy dialogue
Scenario Analysis - Elements

- Scenarios are combination of regions and regional ceilings (referred to here as budgets)

- Rates = Budgets / Regions

- Payment per Ha = € Value of the Budget / Area

- Both regions and budgets need to be set on objective and non-discriminatory basis

<table>
<thead>
<tr>
<th>Regions</th>
<th>Budgets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Capability for Agriculture (LCA) – groupings of classes 1 – 7 (3)</td>
<td>Historic Payments</td>
</tr>
<tr>
<td>Less Favoured Areas – non-LFA, LFA, LFA-HIE (1)</td>
<td>Economic Contribution</td>
</tr>
<tr>
<td>Land Type – Arable, Permanent Grassland, Rough Grazing (1)</td>
<td>Weighted Land Area</td>
</tr>
<tr>
<td>Parish Classifications (4)</td>
<td></td>
</tr>
</tbody>
</table>
STEP1 - Defining Regions

Assumptions:

- Businesses in receipt of SFPS (2011 population)
- Eligible land uses (as defined by IACS crop codes)
- No activity criteria applied – e.g. stocking rates
- Area is IACS claim based – verified, incl. rentals
- A claim is one land use and is part, or all, of a field
  - LCA mix – defined per claim
  - Land Type – defined per claim
  - LFA status – defined per field (all claims)
  - Parish – defined per field (all claims)
## Farm Level

<table>
<thead>
<tr>
<th>Name</th>
<th>No. Regions</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>LCA Farm Level 1a</td>
<td>2</td>
<td>• 1 – 5.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 6.1 – 7</td>
</tr>
<tr>
<td>LCA Farm Level 1b</td>
<td>3</td>
<td>• 1 – 3.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 3.2 - 5.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 6.1 – 7</td>
</tr>
<tr>
<td>LCA Farm Level 1c</td>
<td>4</td>
<td>• 1 – 3.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 4.1 – 4.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 5.1 – 5.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 6.1 – 7</td>
</tr>
<tr>
<td>LFA</td>
<td>3</td>
<td>• Non-LFA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• LFA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• LFA-HIE</td>
</tr>
<tr>
<td>Land Type Farm Level</td>
<td>3</td>
<td>• Arable (incl. Temporary Grass)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Permanent Grass</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Rough Grazing</td>
</tr>
</tbody>
</table>
## Parish Classifications

<table>
<thead>
<tr>
<th>Name</th>
<th>No. Regions</th>
<th>Definitions</th>
</tr>
</thead>
</table>
| LCA Parish Level 1a         | 3           | • 1 – 3.1  
• 3.2 – 5.3  
• 6.1 – 7 |
| LCA Parish Level 1b         | 10          | • 1 – 3.1 Dominant (Dominance ≥75%)  
• 1 – 3.1 Dominant (Dominance = 50-74%)  
• 3.2 – 4.2 Dominant (Dominance ≥75%)  
• 3.2 – 4.2 Dominant (Dominance = 50-74%)  
• No Dominant Class (but most land is 1 – 4.2)  
• 5.1 – 5.3 Dominant (Dominance ≥75%)  
• 5.1 – 5.3 Dominant (between 50-74%)  
• No Dominant Class (but most land is 5+)  
• 6.1 – 7 Dominant (Dominance = 50-74%)  
• 6.1 – 7 Dominant (Dominance ≥75%) |
| Historical SFPS-Parish      | 9           | €1-<20; €20-49; €50-99; €100-149; €150-199; €200-249; €250-299; €300-349; €350+ |
| Land Type Parish            | 3           | • Arable (incl. Temporary Grass)  
• Permanent Grass  
• Rough Grazing |
Maps of Regions - LCA Class Groupings

Farm Level Scenarios - LCA 1a

Farm Level Scenarios - LCA 1c

This map shows the LCA Farm Level 1a boundaries in which there are two regions - Classes 1-3 and Classes 4-7. All land parcels which contain an included land use and which are currently paid an ESFP entitlement are displayed.

Grey fields are those which either belong to a non-ESFP business or are recorded on the basis of their land use (e.g. Forests). Remaining areas beyond IACS coverage are in white.

LCA Farm Level 1c

- 1 - 3.2
- 4.1 - 4.2
- 5.1 - 5.3
- 6.1 - 7
- Unpaid or Excluded

This map shows the LCA Farm Level 1c boundaries in which there are four regions- Classes 1-3.2, Classes 4-4.2, Classes 5-5.3 and Classes 6.1-7. All land parcels which contain an included land use and which are currently paid an ESFP entitlement are displayed.

Grey fields are those which either belong to a non-ESFP business or are recorded on the basis of their land use (e.g. Forests). Remaining areas beyond IACS coverage are in white.

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Maps of Regions – LFA or Land Type

LFA Classification
- LFA-HIE
- LFA
- Non-LFA
- Unpaid or Excluded

This map shows the representation of the LFA classification and LFA-HIE. LFA and LFA-HIE fields are shown in white. Where land parcels contain a boundary between classifications, the parcel is assigned an LFA classification use in the boxes of predominant area.

Grey fields are those which either belong to a non-LFFS business or are excluded on the basis of their land use (e.g. forests). Remaining areas beyond IGOS coverage are in white.

Land Type Farm Level
- Arable
- Permanent Grass
- Rough Grazing
- Unpaid or Excluded

This map shows the representation of the Land Type Farm Level (LTF) option, with different land types shown in different colors. While the calculations take account of this, this map shows the dominant land type class within each land parcel. All land parcels which contain an excluded land use and which are currently paid as LFFS entitlement are highlighted.

Grey fields are those which either belong to a non-LFFS business or are excluded on the basis of their land use (e.g. forests). Remaining areas beyond IGOS coverage are in white.

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Maps of Regions - Parishes Classified by LCA
Maps of Regions – Parishes classified by Land Type or Historic Payment

Parish Level Scenarios
Land Type

Dominance Classification
- Arable (including Temporary Grass)
- Permanent Grass
- Rough Grazing
- No eligible claimed land in Parish

Parish Level Scenarios
Historical SFPS-Parish (Progressive)

Progressive Baseline Payment Rate (€/Ha)
- €1 - <€20
- €100 - <€150
- €250 - <€500
- €20 - <€50
- €150 - <€200
- €300 - <€350
- €50 - <€100
- €200 - <€250
- > €350

No eligible claimed land in Parish

This map shows the classification of Parishes into 3 regions based on eligible claimed land used by businesses in receipt of SFPS in 2011. Dominance indicates 60%. Where the 60% threshold is not achieved the classification defaults to the centre class (Permanent Grass). Where no eligible claimed land exists within a Parish the dominant region cannot be determined.

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This map shows the classification of Parishes into 3 regions based on eligible claimed land used by businesses in receipt of SFPS in 2011. The progressive baseline tea better quality land (based on LCA class) is the highest value entitlement. Where no eligible claimed land exists within a Parish the calculated claimed payment rate cannot be determined.

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Areas of land in each Region

Total Eligible and Currently Paid Area for each Regionalisation Option

- LCA Farm Level 1a
- LCA Farm Level 1b
- LCA Farm Level 1c
- LFA
- Land Type Farm Level
- LCA Parish Level 1a
- LCA Parish Level 1b
- Historical SFPS - Parish (Progressive)
- Land Type Parish
- Rough Grazing
- Permanent Grass
- Arable (incl. Temporary Grass)
- Non-LFA
- LFA
- USA
- USA HE
- 1-3.1 Dominant (Dominance = 75%)
- 1-3.1 Dominant (Dominance = 50-74%)
- 3.2-4.2 Dominant (Dominance = 75%)
- 3.2-4.2 Dominant (Dominance = 50-74%)
- No Dominant (Dominance = 50-74%)
- No Dominant Class (majority 1-1.2)
- 6:1-7 Dominant (Dominance = 75%)
- 6:1-7 Dominant (Dominance = 50-74%)
- No Dominant Class (majority 5.1-7)

Areas are measured in millions of hectares.
STEP2 - Defining Budgets per Region

- Overall ceiling set by EU/UK – assuming ~642 €M* pre-modulation but minus the existing BCS deductions)
- BCS added back in after modelling of regionalisation ~671 €M
- Number of regions defines the number of regional budgets needed (and thus the number of rates)
- Relative size of each region’s budget is a key decision – the share of the overall budget
- Share size determined using one of three bases
  - Share of Historic Payments in each region
  - Share of Economic Contribution in each region
  - Weighted share of Land Area in each region

*This aids like for like comparison – BPS budget will likely be reduced by deductions for other schemes from the Scottish ceiling
Allocating Regional Budgets – 1. Historic

- Uses existing entitlement values – per business – status quo

- Flattens the entitlement values across all eligible land parcels* in the business – higher value entitlements to better quality land as defined by LCA (where possible) – progressive flattening

- Each land parcel is part of one region

- The flattened values (€ per land parcel) for all parcels in each region are summed to give a total value for the region’s budget

Caveat – progressive flattening is still means that within a business, entitlements likely generated on better quality land are spread onto lower quality. This lowers the budgets and rates for better quality land and increases them for poorer.

*No restriction is imposed by the number of entitlements held on the eligible areas.
Allocating Regional Budgets – 2. Economic Contribution

- Intent to share direct payment in proportion to contribution to Scottish agricultural output

- Uses standard outputs (SO) – average monetary value of the agricultural output at farm-gate prices - per business

- The SO values are linked to land, per business, using a simple flattening – SO / Eligible area

- The flattened SO values (by land parcel) are summed per region and divided by the SO total to set the regions’ share of the Scotland Ceiling:
  
  \[ \text{Regional Share} = \frac{\text{SO regional total}}{\text{SO Scotland total}} \]

- The total BPS budget per region is then:
  
  \[ \text{Regional Share} \times \text{Scotland Ceiling} \]
Allocating Regional Budgets – 3. Land-Based

- Intent to explore distributions not tied to either historic entitlements or current contribution to outputs

- The share of the Scotland Ceiling for each region is:
  \[(\text{Area of Region} \times \text{Weighting factor}) / \text{Area of all regions}\]

- With the same weight for all regions the effect is to use a single flat rate for all regions

- With Historic and Economic based budgets shares and thus rates are determined by the choice of basis for the ceiling

- With land-based the weightings are a policy decision that shapes the shares between regions to achieve desired outcomes

- The weightings need to be determined on an objective and non-discriminatory basis
3. Land-Based cont. Production Weighted

- Intent to weight payment towards land which supports production systems important for food production and to the agri-food supply chain and that could be vulnerable to significant reductions in support

- Uses three region options – Olympic podium with highest rates to middle quality land and lowest to poorest.

- The payment rate for poorest land is no more than €30 per ha – consistent with the Pack Inquiry

- The payment rate for the middle quality land is higher than that for the best but no more than 120% of the rate for best land – one balance between the two classes
3. Land-Based cont. Environmental Weighted

- Intent to weight payment towards land more strongly associated with the provision of non-market ecosystem goods and services

- Again only for three region models

- The poorest quality land receives a 10% uplift compared to the flatten historic payment rate – this is a modest increase since flattening of entitlements (as implemented in the modelling) already results in higher payment rates for lower quality land

- This uplift is paid for by reducing the rates on middle and best quality land – with the best quality land paying more but no more than twice as much (limit 67:33) – again only one balance between the other two regions
**Headline Results - Interpretation Notes**

- Rates defined within this analysis are generally higher than those seen in the Pack Inquiry and follow ups – particularly for lower quality land
  - We have assumed the same budget and no new recipients - Pack Inquiry results included all eligible land.
  - Up to an additional 1.9M Ha of eligible (by land use) land in the SAF population (41% of modelled area)
  - But – no Stocking Rate restrictions on eligibility so a larger area for some existing recipients is included (especially more Rough Grazing)
  - In the Historic and Economic Contribution ceilings the share of budget going to poorer quality land is increased by the implementation of the process of flattening entitlements or standard outputs to land
# Headline Results

**Regions: Farm Level**  
**Budgets: Historic (Share of Entitlements)**

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Regional Boundaries</th>
<th>Area (M Ha)</th>
<th>'Progressive' Total (€)</th>
<th>'Progressive' Rate (€/Ha)</th>
<th>Redistribution (€)</th>
<th>Increase &amp; Reduction</th>
<th>Businesses Increasing (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FARM LEVEL - HISTORIC</strong></td>
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<tr>
<td>LCA Farm Level 1a</td>
<td>1 - 5.3</td>
<td>2.3</td>
<td>€518M</td>
<td>€228</td>
<td>€381M</td>
<td>€190M</td>
<td>51%</td>
</tr>
<tr>
<td></td>
<td>6.1 - 7</td>
<td>2.3</td>
<td>€124M</td>
<td>€54</td>
<td></td>
<td></td>
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<tr>
<td>LCA Farm Level 1b</td>
<td>1 - 3.1</td>
<td>0.3</td>
<td>€115M</td>
<td>€331</td>
<td>€361M</td>
<td>€180M</td>
<td>53%</td>
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<td>3.2 - 5.3</td>
<td>1.9</td>
<td>€403M</td>
<td>€209</td>
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<td>6.1 - 7</td>
<td>2.3</td>
<td>€124M</td>
<td>€54</td>
<td></td>
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<tr>
<td>LCA Farm Level 1c</td>
<td>1 - 3.2</td>
<td>0.9</td>
<td>€288M</td>
<td>€325</td>
<td>€298M</td>
<td>€149M</td>
<td>57%</td>
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<tr>
<td></td>
<td>4.1 - 4.2</td>
<td>0.6</td>
<td>€134M</td>
<td>€234</td>
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<td>5.1 - 5.3</td>
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<td>6.1 - 7</td>
<td>2.3</td>
<td>€124M</td>
<td>€54</td>
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<tr>
<td>LFA</td>
<td>Non-LFA</td>
<td>0.6</td>
<td>€200M</td>
<td>€329</td>
<td>€399M</td>
<td>€199M</td>
<td>48%</td>
</tr>
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<td>LFA-HIE</td>
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<td>€165M</td>
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<td>Land Type Farm Level</td>
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<td>€319</td>
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<td>Permanent Grass</td>
<td>0.8</td>
<td>€173M</td>
<td>€205</td>
<td>€149M</td>
<td>56%</td>
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<td>Rough Grazing</td>
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<td>€173M</td>
<td>€62</td>
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**Headline Results cont. (2)**

**Regions: Parish Level**

**Budgets: Historic (Share of Entitlements)**

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Regional Boundaries</th>
<th>Area (M Ha)</th>
<th>'Progressive' Total (€)</th>
<th>'Progressive' Rate (€/Ha)</th>
<th>Redistribution (€)</th>
<th>Increase and Reduction</th>
<th>Businesses Increasing (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LCA Parish Level</strong></td>
<td>1a</td>
<td>1 - 3.1</td>
<td>0.2</td>
<td>€76M</td>
<td>€319</td>
<td>€360M</td>
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<td>3.2 - 5.3</td>
<td>1.8</td>
<td>€430M</td>
<td>€234</td>
<td></td>
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</tr>
<tr>
<td></td>
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<td>6.1 - 7</td>
<td>2.5</td>
<td>€137M</td>
<td>€55</td>
<td></td>
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<tr>
<td></td>
<td>1b</td>
<td>1 - 3.1 Dominant (Dominance ≥ 75%)</td>
<td>0.1</td>
<td>€46M</td>
<td>€320</td>
<td>€311M</td>
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<td>1 - 3.1 Dominant (Dominance = 50-74%)</td>
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<td>€30M</td>
<td>€318</td>
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<td>3.2 - 4.2 Dominant (Dominance ≥ 75%)</td>
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<td>€128M</td>
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<td>3.2 - 4.2 Dominant (Dominance = 50-74%)</td>
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<td>€151M</td>
<td>€287</td>
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<td>No Dominant Class (majority 1 - 4.2)</td>
<td>0.2</td>
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<td>€249</td>
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<td>53%</td>
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<td>5.1 - 5.3 Dominant (Dominance ≥ 75%)</td>
<td>0.0</td>
<td>€0M</td>
<td>€82</td>
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<tr>
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<td>5.1 - 5.3 Dominant (Dominance = 50-74%)</td>
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<td>€28M</td>
<td>€143</td>
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<td></td>
<td></td>
<td>6.1 - 7 Dominant (Dominance ≥ 75%)</td>
<td>1.6</td>
<td>€71M</td>
<td>€45</td>
<td></td>
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<tr>
<td></td>
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<td>6.1 - 7 Dominant (Dominance = 50-74%)</td>
<td>0.9</td>
<td>€66M</td>
<td>€73</td>
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<td></td>
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<td>No Dominant Class (majority 5.1 - 7)</td>
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<td>€80M</td>
<td>€146</td>
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<td><strong>Historical SFPS - Parish (Progressive)</strong></td>
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<td>€0 - ≤€20</td>
<td>0.3</td>
<td>€6M</td>
<td>€16</td>
<td>€273M</td>
<td>51%</td>
</tr>
<tr>
<td></td>
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<td>€20 - ≤€50</td>
<td>1.1</td>
<td>€40M</td>
<td>€36</td>
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<td></td>
<td></td>
<td>€50 - ≤€100</td>
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<td>€100 - ≤€150</td>
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<td>€60M</td>
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<td>€150 - ≤€200</td>
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<td>€54M</td>
<td>€174</td>
<td></td>
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<td></td>
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<td>€200 - ≤€250</td>
<td>0.3</td>
<td>€68M</td>
<td>€226</td>
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<tr>
<td></td>
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<td>€250 - ≤€300</td>
<td>0.4</td>
<td>€97M</td>
<td>€276</td>
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<tr>
<td></td>
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<td>€300 - ≤€350</td>
<td>0.4</td>
<td>€144M</td>
<td>€325</td>
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<tr>
<td></td>
<td></td>
<td>&gt; €350</td>
<td>0.3</td>
<td>€103M</td>
<td>€390</td>
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<tr>
<td><strong>Land Type Parish</strong></td>
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<td>Arable (incl. Temporary Grass)</td>
<td>0.8</td>
<td>€268M</td>
<td>€324</td>
<td>€318M</td>
<td>54%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Permanent Grass</td>
<td>0.8</td>
<td>€185M</td>
<td>€236</td>
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# Headline Results cont. (3)

## Regions: Farm Level

### Budgets: Economic (Share of Standard Outputs)

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<tr>
<th>Scenario</th>
<th>Regional Boundaries</th>
<th>Area (M Ha)</th>
<th>SO Regional Total (€)</th>
<th>SO Weighting (%)</th>
<th>Budget (€)</th>
<th>Rate (€/Ha)</th>
<th>Redistribution (€)</th>
<th>Increase and Reduction</th>
<th>Businesses Increasing (%)</th>
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<td>€172M</td>
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</tr>
<tr>
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<td>6.1 - 7</td>
<td>2.3</td>
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<td>12%</td>
<td>€76M</td>
<td>€33</td>
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<tr>
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<td>€159M</td>
<td>€459</td>
<td>€337M</td>
<td>€169M</td>
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<td>€249M</td>
<td>12%</td>
<td>€76M</td>
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</tr>
<tr>
<td>LCA Farm Level 1c</td>
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<td>55%</td>
<td>€354M</td>
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<td>€273M</td>
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</tr>
<tr>
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<td>€77M</td>
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<td>12%</td>
<td>€76M</td>
<td>€33</td>
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<td>€438</td>
<td>€393M</td>
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# Headline Results cont. (4)

## Regions: Farm Level

### Budgets: Weighted Land Area: Production & Environmental

<table>
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<th>Scenario</th>
<th>Regional Boundaries</th>
<th>Area (M Ha)</th>
<th>Adjustable Weighting</th>
<th>Budget (€)</th>
<th>Rate (€/Ha)</th>
<th>Redistributor (€)</th>
<th>Increase and Reduction</th>
<th>Businesses Increasing (%)</th>
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<tbody>
<tr>
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<tr>
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<table>
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<th>Adjusted Historical (%)</th>
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<th>Rate (€/Ha)</th>
<th>Redistributor (€)</th>
<th>Increase and Reduction</th>
<th>Businesses Increasing (%)</th>
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<td>LFA</td>
<td>Non-LFA</td>
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<tr>
<td></td>
<td>LFA-HIE</td>
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<td>€182M</td>
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<td>€313M</td>
<td>54%</td>
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<td>Permanent Grass</td>
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<td>-4.00</td>
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<td>+10.00</td>
<td>€190M</td>
<td>€68</td>
<td>€182m</td>
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</tr>
</tbody>
</table>
Scenario Analyses – 1

Region – Parish - Historic Parish SFPS
Budget – Share of Historic Entitlements

- **Status quo** – seen as preferable by some stakeholders
- Redistribution €273M
Scenario Analyses – 1 cont.

Region – Parish - Historic Parish SFPS Budget – Share of Historic Entitlements
Scenario Analyses – 2

Region – Farm Level - Land Type
Budget – Economic (Share of Standard Outputs)

- Clear objective justification, uses existing EU audited data
- Redistribution €258M
Scenario Analyses – 2 cont.

Region – Farm Level - Land Type
Budget – Economic (Share of Std. Outputs)
Scenario Analyses – 3
Region – Farm Level – Land Type
Budget – Production Weighted
- Podium weighting towards permanent grasslands (+20% vs. best land)
- Redistribution €267M
Scenario Analyses – 3 cont.

Region – Farm Level – Land Type

Budget – Production Weighted

Change in Payment Rate € per Hectare
Land Type Farm Level - Production

This map shows the change in payment rate (€ per hectare) for the scenario stated in the line when compared to the 'progressive' baseline payment rate (€ per hectare) for all eligible Single Farm Payment Scheme claims activated in 2011. 'Excluded' or 'Unpaid' areas indicate those land parcels which are mapped in IACS but which are either entirely excluded from the basis of the land payment, or are not due to businesses not currently in receipt of Single Farm Payment.

Remaining areas lie beyond the extent of the IACS mapping.

Map designed by Dave Miller.
Map produced by Dave Miller & Douglas Warden-Johnson.
The James Hutton Institute.
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Scenario Analyses – 3
Region – Farm Level – Land Type
Budget – Environmental Weighted

- Uplift of 10% from flattened historic on poorest land, paid for 60:40 from other classes
- Redistribution €313M
Scenario Analyses – 3 cont.

Region – Farm Level – Land Type
Budget – Environmental Weighted

Change in Payment Rate €/Ha
Land Type Farm Level - Environmental

Change in Payment Rate €/Ha
≤ €250.00
€250.01 - €500.00
€500.01 - €100.00
€100.01 - €150.00
€150.01 - €200.00
€200.01 - €250.00
≥ €250.01
Zero (≠2)
Excluded or Unpaid

Land Type Farm Level - Environmental - Farm Size

This map shows the change in payment rate (€/hectare) for the scenario stated in the title when compared to the ‘progressive’ baseline payment rate (€/hectare) for all eligible Single Farm Payment Scheme claims activated in 2011.

*Excluded or Unpaid areas indicate those land parcels which are mapped in IACS but which are either newly excluded on the basis of the land use, or are in use by businesses not currently in receipt of Single Farm Payment.

Plaening areas lie beyond the extent of the IACS mapping.
Key Messages

Regions

- Number of regions - a small number is adequate, strongly diminishing returns
- Parishes – internalised redistribution – areas not matching the Parish classification can be large
- LCA – measures potential not activity at a fixed time window, but issues of mapping scale in North and West
- Land Type – reflects intensity, least redistributive, but historic based

Budgets

- Historic – difficult to link to land, limited justification
- Standard Outputs – difficult to definitively link the livestock component of standard outputs to land within a business, better reflects current economic activity, historic
- Weighted Land Area – flexible, policy led, outcome focused
Key Messages (cont.)

- Area-based approaches “Flatten”
- Flattening means redistribution – generally from more intensive to less
- Within Sectors and within Regions important – beware net effects
- Effects of change are concentrated within larger businesses
- Basis of Regions matters – land quality, land type, LFA status, Parishes - more flexibility for Regions
- Geography of Regions matters – need to avoid extremes in a single Region
- Defining success?