

Operations Note 18

February 2012

Woodland and the Single Payment Scheme

Purpose This note aims to explain the relationship between woodland and the Single Payment Scheme (SPS), notably:

- When and how to claim SPS on farm woodland.
- How to declare your woodland on your SPS (SP5) form.
- How to claim grazed woodland on your SPS (SP5) form.

Further information on completing your SPS form can be found in the [SPS Guidance and Handbook for England for the current year](#).

Woodland and the Single Payment Scheme

Woodland is **only** eligible for SPS payment when:

- The land was planted under a Farm Woodland Premium Scheme (FWPS) and was claimed as set-aside and activated for payment (under SPS land use code SA2) in 2008. This includes Forestry Commission agreements where you have received your final payment but are required as part of the agreement to retain the trees and manage the woodland appropriately.

or

- It was planted under English Woodland Grant Scheme (EWGS) Farm Woodland Payment (FWP) in or after 2009 (as the FWP rates after this date are compatible with SPS) and the land was used to activate entitlements for SPS in 2008 .

or

- It can be considered as grazed woodland under SPS rules.

Summary

The majority of woodland is not eligible for SPS. There are three exceptions to this:

- Grazed woodland which should be claimed using SPS land use code "PP1".
- Farm Woodland claimed as set-aside and activated for payment in 2008. This should be claimed using SPS land use code "SA2".
- Woodland planted under English Woodland Grant Scheme (EWGS) Farm Woodland Payment (FWP) in or after 2009 on land which was

used to activate entitlements for SPS in 2008. This should be claimed using SPS land use code “SA2”.

However, you should still also declare all woodland on your land holding, even when it is not eligible for SPS. To do this:

- Use SPS land use code “FR1” to declare woodland that is **not under a Forestry Commission scheme** and is not eligible for SPS.
- Use SPS land use code “FR3” to declare woodland that **is under a Forestry Commission scheme** and is not eligible for SPS.

Farm Woodland eligible for SPS

You can claim SPS on your farm woodland if:

- It was planted under Farm Woodland Premium Scheme (FWPS) and was declared as set-aside (under SPS code SA2) in 2008 (to be eligible for this the agreement must have been approved on or after 1st July 1995). Please note that Forestry Commission will only pay farm woodland payments in this situation if you have transferred your farm woodland payment rate to one compatible with SPS – if you were eligible we will have written to you to offer you the compatible rate(s) in Spring 2010.

or

- It was planted under English Woodland Grant Scheme Farm Woodland Payment option in or after 2009 and the land was used to activate entitlements for SPS in 2008 - the FWP rates available under EWGS after 2009 are compatible with SPS.

If either of these circumstances apply you must use the Land Use Code “SA2” to identify the farm woodland on your SP5 form. RPA will check the land is eligible against their records of claims in 2008. If you make an error on your SPS claim it may be subject to adjustment or penalty.

For further information on the eligibility to receive both SPS payments and Farm Woodland Payments please see our webpage on [Farm Woodland and the Single Payment Scheme](#).

Grazed woodlands and the Single Payment Scheme

The [SPS Handbook](#) defines when grazeable woodland is eligible for SPS. Where there are fewer than 50 trees per hectare, you can claim for SPS using land use code PP1.

You must deduct the area of land taken up by tree trunks from the area you claim on your SP5. You must also remove any areas where trees or bushes prevent the growth of vegetation suitable for grazing. You will also need to make sure that the land follows the relevant cross compliance rules, including those relating to over grazing and supplementary feeding.

If there are more than 50 trees per hectare, you can only claim the land for grazing under SPS:

- Where the land is woodland, you can show that there is a history of grazing, for example, if you have declared this on previous applications, or if there are trees that look like animals have been browsing, for example, they have swelling at the base.
- Where the land is new planting, you have protected the trees from grazing.

Whether it's woodland or new planting, the grazing must not be

damaging the land ecologically. For example, the grazing must not reduce the number of existing tree seedlings and saplings, and must not reduce plants that are sensitive to grazing, such as bramble.

It is important to note that woodland within the following Forestry Commission schemes cannot be claimed as grazed woodland:

- Farm Woodland Scheme.
- Farm Woodland Premium Scheme.
- The English Woodland Grant Scheme.
- Any new planting under the Woodland Grant Scheme.
- The English Woodland Grant Scheme's Woodland Creation Grant and Farm Woodland Payment options.

This is because to qualify for the farm woodland payments the land may need to be taken out of agricultural production so cannot be grazed, and because grazing puts successful establishment of young trees at risk.

This rule also applies to open space areas under these schemes and options.

If you do claim land under these schemes as grazed woodland on your SP5, RPA may reduce your payment and you may incur a penalty.

Declaring other woodland under Single Payment Scheme

You cannot claim SPS payments for the majority of land under Forestry Commission grant schemes.

However it is an SPS requirement that you **declare**, but do not claim or "activate", all of this land on your SP5 form for compliance purposes.

SPS Land Use Code "**FR1**" should be used to declare land **not** under a Forestry Commission scheme which is **not eligible for SPS** on your SPS claim form.

Alternatively SPS Land Use Code "**FR3**" should be used for land **under a Forestry Commission scheme** which is **not eligible for SPS** on your application.

RPA have a regulatory requirement to cross-check all land under Forestry Commission schemes against both SPS and the Rural Land Register. It is therefore in your interest to ensure that land under Forestry Commission schemes is correctly recorded on the RLR and declared on your SP5 form. Failure to do so may lead to errors in cross-checking and the imposition of penalties on your SPS claim.

General This Operations Note is for guidance and clarification only. It is the SPS applicant's responsibility to make an SPS declaration based upon their own commercial decisions.

Further Advice Any queries relating to Single Payment Scheme should be referred to the RPA's Customer Service Centre on 0845 603 7777. Alternatively the [RPA website](#) has comprehensive guidance on the SPS.

The EWGS website www.forestry.gov.uk/ewgs contains all the information needed to apply for Forestry Commission grant support. If you do not have access to the internet, you can request any of the information from your local Forestry Commission office using [our office](#)

[directory](#).

We recommend getting professional advice on woodland management and grants. A list of national and regional professional organisations is available at www.forestry.gov.uk/england-advice or from your local FC office

Versions Version 1.0 issued 4th February 2008
Version 1.1 issued 1st June 2008 – minor changes including header
Version 2.1 issued 7th February 2012 – updated to clarify how Forestry Commission schemes interact with the Single Payment Scheme and how land under FC agreements should be declared on the SP5 Form.