

**EXPLANATORY MEMORANDUM TO  
THE HILL FARM ALLOWANCE REGULATIONS**

**2006 No. [225]**

1. This explanatory memorandum has been prepared by the Department for Environment, Food and Rural Affairs and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. **Description**

- 2.1 These Regulations specify the rates of Hill Farm Allowance (HFA), to be paid to claimants in the scheme year 2005/6. They also lay down the rules as to payment and entitlement.

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

- 3.1 Regulation 2 containing the interpretation provisions defines the England Less Favoured Area (LFA) maps. It proceeds to define LFAs as those areas shown coloured blue or pink on those maps. The Department provides a copy of a map showing all the LFAs in the UK, printed at a considerably smaller scale than the maps referred to in Regulation 2. The official maps of the English LFAs are in three volumes containing 235 pages of coloured A3 maps at a scale of 1:50,000. This archive material is kept in the Department's Information Resource Centre, 2 Horseferry Road, London SW1 2AL (telephone 020 7238 6712).

- 3.2 The location of LFAs in England can also be found using the interactive map at the website of Multi-Agency Geographic Information of the Countryside. The interactive map can display the LFA status of any land in England with the co-ordinate accuracy of 1 metre at a scale of 1:25,000. This service (available at no cost) can be found at [www.magic.gov.uk](http://www.magic.gov.uk)

4. **Legislative Background**

- 4.1 These Regulations implement Council Regulation 1257/1999 ("the Rural Development Regulation") on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF). These Regulations also implement Chapter 9 of the England Rural Development Programme (ERDP) approved by the European Commission (Commission Decision No. C(2000) 3003) under Article 44 of the Rural Development Regulation.

4.2 In particular, the Regulations implement Articles 13, 14 and 15 of the Rural Development Regulation which allow Member States to provide support for farmers in LFAs. The Rural Development Regulation also permits Member States to define the conditions of eligibility for hill farm allowance and the rates at which it is to be paid.

## **5. Extent**

5.1 This instrument applies to England.

## **6. European Convention on Human Rights**

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## **7. Policy background**

7.1 HFA is a scheme, under the ERDP, which provides support to beef and sheep producers who farm the English LFAs. In the 2004/05 scheme year, to date 9,631 claimants have been paid. Its broad objectives are social, economic and environmental. It recognises the difficulties that farmers face in the LFAs and the vital role that farmers play in maintaining the landscape and rural communities of the hills. HFA was first paid in 2001, replacing the Hill Livestock Compensatory Allowance. Two reviews of HFA were carried out in 2003, as part of the mid-term review of the ERDP and attracted 40 responses among whom were organisations representing farmers, landowners and environmentalists. The conclusion of both reviews was that HFA should continue, with minor modifications, until the expiry of the current ERDP period, at the end of 2006. A consultation will shortly be issued on proposals for a successor scheme which will form part of the next Rural Development Programme (2007 – 2013).

## **8. Impact**

8.1 A Regulatory Impact Assessment has not been prepared for this instrument as it provides a compensatory allowance for hill farm businesses and does not impose a cost on business.

## **9. Contact**

9.1 Sue Adams, Uplands Management Branch, Conservation, Uplands and Rural Europe Division, Defra, Area 4D, Ergon House, 2 Horseferry Road, London SW1 2AL. (Tel: 020 7238 6235) can answer any queries regarding the instrument.