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Auditor General for Wales

Glastir



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SWYDDFA ARCHWILIO CYMRU



I have prepared and published this report in accordance with the Government of Wales Act 2006.

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Summary

- 1 Agri-environment schemes provide a means of paying landholders to maintain or enhance the natural environment. They aim to minimise the impact of farming practices that can damage the environment and threaten biodiversity. Agri-environment schemes also seek to preserve the rural landscape of Wales, together with its historical and cultural assets, and to provide access for citizens to enjoy the benefits and wellbeing derived from good environmental stewardship. Good environmental management is central to delivering the Welsh Government's duty to promote sustainable development, and helping mitigate and adapt to climate change.
- 2 The Welsh Government launched its Tir Gofal agri-environment scheme in 2000, funded partly by the European Union. In November 2007, the Auditor General published a report on Tir Gofal, which included recommendations to strengthen the scheme. In September 2008, the then Audit Committee of the National Assembly for Wales published its own report on Tir Gofal, which contained further recommendations. The Welsh Government committed to addressing the Audit Committee's recommendations on Tir Gofal in the design of successor schemes.
- 3 In September 2008, the Welsh Government published a consultation document, *Sustaining the Land*, which reviewed the effectiveness of its existing agri-environment schemes and proposed a number of options for their future development. Following widespread consultation on the document's proposals, in May 2009 the Minister for Rural Affairs announced that, from January 2012, the four existing agricultural grant schemes¹ would be replaced by a new single scheme, named Glastir.
- 4 Glastir is available to landholders and other land managers across Wales. The scheme comprises five elements ([Appendix 2](#))²:
 - a Glastir Entry
 - b Glastir Advanced
 - c Glastir Commons
 - d Glastir Efficiency Grants
 - e Glastir Woodland (creation and management)
- 5 The Welsh Government plans to spend £119 million on Glastir to the end of 2015, and, by 31 December 2013, it had issued grant payments of just under £22 million. Glastir is partly funded by money allocated by the European Union to the European Agriculture Fund for Rural Development³, with the Welsh Government match funding 45 per cent of the cost of the scheme.
- 6 The design of Glastir was not informed by robust empirical evidence about the outcomes of predecessor agri-environment schemes. This was because the results of the Welsh Government's evaluation of its agri-environment schemes did not become available until 2013.
- 7 Landholders and stakeholder groups have expressed concerns about the scope and implementation of Glastir, which has been subject to four inquiries between 2010 and 2012. The inquiries have raised wide-ranging issues, including about aspects of process, such as the adequacy of communications by the Welsh Government, scheme payments and levels of participation in the scheme.

¹ In May 2009, the three agri-environment schemes offered in Wales were: Tir Gofal, Tir Cynnal, and the Organic Farming Scheme. Although all of the schemes closed to new applicants prior to January 2012, the Welsh Government is continuing to make payments to legacy agreements. The Welsh Government also operated a 'Less Favoured Area scheme', known as Tir Mynydd, which was aimed at compensating landholders in more difficult to farm upland areas. In addition, the Minister announced in July 2010 that the Better Woodlands for Wales grant scheme was to close, with Glastir extended to include woodland creation and woodland management.

² From January 2015, Glastir will also include an element called Glastir Organic. Under Glastir Organic, the Welsh Government will fund landholders to convert to an organic system, as well as make payments to landholders to maintain organic systems.

³ The European Agriculture Fund for Rural Development was established in 2005 and aims to contribute to improving: the competitiveness of agriculture and forestry; the environment and the countryside; the quality of life and the management of economic activity in rural areas.

8 This report examines whether Glastir incorporates the lessons learnt from Tir Gofal and evidence from other agri-environment schemes, and has been designed and implemented in a way that promotes the changes needed to achieve the scheme's objectives. The report was prepared by staff of the Wales Audit Office on behalf of the Auditor General. The methodology we used is set out in [Appendix 1](#).

9 **Overall, we concluded that the design and implementation of Glastir reflects some of the learning from previous agri-environment schemes, but the scheme also retains some significant flaws. In particular:**

- a **Glastir's aims align with key environmental policies but, although the scheme's design draws on the learning from previous agri-environment schemes, it also retains some of the flaws;**
- b **the Welsh Government has strengthened its arrangements to administer Glastir, but there remains scope for improvement in some areas; and**
- c **participation in Glastir is well below the Welsh Government's targets, some of which were unrealistic, and measures to evaluate the scheme's success have yet to be developed.**

Recommendations

10 In November 2013, the Welsh Government committed to setting out in early 2014 how it proposed to develop Glastir from January 2015⁴ under the new Rural Development Plan (RDP) for Wales⁵. The Welsh Government published its proposals in January 2014 and gave interested parties until 28 March 2014 to respond. We have shared with the Welsh Government the interim findings emerging from our fieldwork to assist in the development of its proposals for the future of Glastir. We note that the Welsh Government's consultation document included several proposals for improvement in the main areas of concern identified in this report. For example, it included proposals to improve participation levels and to encourage improved collaboration at an area level. However, there are a number of other recommendations the Welsh Government should consider to improve the operation of the scheme and help deliver its objectives:

At the application stage, the Welsh Government still does not collect any information on existing farm management practices, to support its decision making and to give it assurance that the landholder will be required to change their practices on joining the scheme. The Welsh Government told us that this is because the only data available is self-report data from landholders and it has concerns about the reliability of such data. However, in the absence of changes to land management practices, Glastir Advanced is unlikely to deliver its objective of improving the Welsh countryside ([paragraph 1.29-1.35](#)).

⁴ Ministerial statement *Shaping a More Prosperous and Resilient Future*, 15 November 2013.

⁵ The RDP for Wales is part funded by the European Union and the Welsh Government and aims to support rural communities and businesses, and to ensure that natural resources are used sustainably. The RDP for 2006-2013 should have been replaced with a new plan starting in January 2014 and lasting until 31 December 2020. However, delays agreeing the European Union budget for 2014-2020 mean the new RDP will begin in January 2015. This will follow a transition year in 2014.

R1 Drawing on any knowledge and experience of agri-environment schemes run by other jurisdictions, the Welsh Government should develop an approach for Glastir Advanced to ensure that, in return for grant funding, landholders commit to making significant changes to their land management practices that directly support the delivery of Glastir’s objectives.

There is also risk of failure to tackle, through Glastir, poor agricultural practices on a small number of farms that can be responsible for much wider water quality problems. The Welsh Government told us that it did not have access to available information about individual farms which are contributing to wider water quality problems (paragraph 1.42).

R2 The Welsh Government should explore the scope to develop a risk-based approach to identify and target appropriate interventions at farms where poor agricultural practices are responsible for causing wider water quality problems. The Welsh Government should consider a range of interventions, including the provision of advice, grant funding and regulatory action.

The Welsh Government will progressively introduce online applications for Glastir. Glastir Advanced and Organic will be introduced as fully on-line only components first. The remaining Glastir schemes will be phased in, with a fully on-line approach anticipated by the end of 2016-17. The Welsh Government acknowledges the concerns raised by some stakeholders that some potential applicants may be precluded from applying, due to limitations in broadband access or because they do not have the ability to interact online. A range of assistance will be available for

applicants, although the Welsh Government has yet to confirm the exact support it will provide (paragraphs 2.28-2.29).

R3 After the introduction of online-only applications for Glastir Organic, Glastir Advanced and Glastir Woodland, the Welsh Government should review applicants’ experiences and seek to identify and address any remaining barriers to making online applications.

The Welsh Government routinely monitors the overall cost of the administration of all its schemes under the Common Agricultural Policy. However, it is unable to determine the cost of administering Glastir in isolation from the other schemes (paragraph 2.1).

R4 The Welsh Government should routinely identify the running costs for Glastir and benchmark these against the costs of other similar schemes, to help assess the efficiency of the scheme’s administration and to demonstrate value for money.

Some of the Welsh Government’s targets for Glastir were unrealistic and, with levels of participation much lower than planned, spending on Glastir has been substantially less than forecast (paragraphs 3.1-3.10).

R5 The Welsh Government should review its targets for Glastir to ensure an adequate evidence base to support each target, and to ensure that the targets are challenging yet achievable, affordable and reflect the scale of change the Welsh Government is expecting the scheme to deliver. The Welsh Government should also ensure that its internal targets for Glastir are consistent with the targets it agrees with the European Commission.

Judging the success of Glastir will be difficult because the Welsh Government has not quantified the scale of the impact it expects the scheme to deliver, and it has not quantified the anticipated contribution of the scheme to relevant objectives. The Welsh Government does not have enough robust evidence about the specific impacts of previous schemes to be able to estimate the extent of the changes that could be attributed to Glastir. The consortium commissioned to deliver the Glastir monitoring and evaluation programme completed a modelling exercise in March 2014 to assess the anticipated effects of combining different interventions at farms. The Welsh Government intends to use the results of the modelling exercise to inform future decisions about the design on Glastir Entry (paragraphs 3.16-3.27).

- R6 **The Welsh Government should use the results of the March 2014 impact modelling exercise to help quantify the scale of the improvements it expects Glastir to deliver. Through setting appropriate targets for the scheme, the Welsh Government should also determine how and by when it expects Glastir to deliver its objectives and contribute to wider objectives such as those included in the *Environment Strategy for Wales*.**

Part 1

Glastir's aims align with key environmental policies but, although the scheme's design draws on the learning from previous agri-environment schemes, it also retains some of the flaws



Glastir's objectives are consistent with key Welsh Government and European Union rural development and environmental policies

- 1.1 Glastir is integral to delivering a number of the Welsh Government's ambitions. In particular, Glastir is one of the main interventions in the Welsh Government's approach to reducing greenhouse gas emissions from the agricultural and land use sector.⁶ The Welsh Government has also identified the changes to farming practices achieved through Glastir as having a key role in helping Wales to adapt to the effects of climate change.
- 1.2 Through its Programme for Government the Welsh Government aims to make Wales a 'one planet nation' and to put 'sustainable development at the heart of government'. Two of the indicators that the Welsh Government is using to track delivery of this aim relate to Glastir: the percentage of eligible land under Glastir agreements; and the area of agricultural land under a Glastir contract.
- 1.3 Glastir has six objectives, three of which were objectives of Tir Gofal (Box 1).

Box 1: Glastir's objectives

The objectives new to Glastir are to:

- manage soils to help conserve carbon stocks and reduce soil erosion;
- improve water quality and reduce surface run-off; and
- manage water to help reduce flood risks.

The objectives of Glastir which were also objectives of Tir Gofal are to:

- conserve and enhance wildlife and biodiversity;
- manage and protect landscapes and the historic environment; and
- create new opportunities to improve access and understanding of the countryside.

Source: Welsh Government

- 1.4 All six of Glastir's objectives align with Welsh Government and European Union rural development and environmental policies. Four objectives⁷ directly reflect the 'new challenges' identified by the 2007 Health Check of the European Union's Common Agricultural Policy. They also reflect the growing recognition within the Welsh Government of the role of land management, including agriculture, in cutting greenhouse gas emissions and adapting to climate change⁸.

⁶ The Welsh Government has a target to reduce greenhouse gas emissions by three per cent annually in areas of devolved competence. For key sectors, including agriculture and land use, the Welsh Government's *Climate Change Strategy* (December 2010) sets target ranges for reducing emissions. The Welsh Government estimates that agriculture and land use accounts for 15 per cent of current greenhouse gas emissions in Wales. The Welsh Government has committed to reducing emissions from this sector by at least 11 per cent by 2020.

⁷ Managing soils to prevent erosion and conserve carbon stocks; improving water quality; managing water quantity to reduce flood risks; and conserve and enhancing wildlife and biodiversity.

⁸ Minister for Rural Affairs, oral statement on Land Use and Climate Change, 27 January 2009.

1.5 Glastir’s objectives are also clearly aligned with the intended outcomes of the 2006 *Environment Strategy for Wales* (Figure 1). For example, both the strategy and Glastir highlight the need to halt the decline in biodiversity. The alignment between the strategy and Glastir’s objectives was secured early in the design of Glastir.

Figure 1: *Environment Strategy for Wales* outcomes

Outcome group	Individual outcomes
Carbon management	<ul style="list-style-type: none"> Improved resilience to climate change. Soil managed to safeguard ability to support plants and animals, and store carbon.
Water quality management	<ul style="list-style-type: none"> Water resources managed sustainably. Quality of groundwater, rivers, lakes and coastal waters maintained and enhanced. Diffuse pollution reduced and managed.
Water quantity management	<ul style="list-style-type: none"> Appropriate measures to manage flood risk including at landscape and river catchment scale.
Biodiversity management	<ul style="list-style-type: none"> Loss of biodiversity halted and recovery in the range, number and genetic diversity of species. Environment more favourable to biodiversity through appropriate management, reduced habitat fragmentation and increased connectivity of habitats. Sites of international, Welsh and local importance restored to a favourable condition to support the species and habitats identified.
Landscape and heritage management	<ul style="list-style-type: none"> Quality and diversity of natural and historic character of landscape is maintained. Historic building stock is maintained to a high standard.
Access, including educational access	<ul style="list-style-type: none"> Sustainable, widespread and equitable access to the countryside and coast.

Source: *Sustaining the Land*, Welsh Government, September 2008 and the *Environment Strategy for Wales*, Welsh Government, May 2006

Although consultation on Glastir's design was thorough and wide ranging, not all stakeholders felt fully engaged

- 1.6 We examined a range of Welsh Government documents covering its engagement with stakeholders during the design of Glastir. For example, we looked at the agendas, minutes and accompanying papers for the stakeholder group the Welsh Government established to help it design Glastir.
- 1.7 The Welsh Government initially consulted with stakeholders about scheme design through a large stakeholder group. Subsequently, the Welsh Government held a series of smaller group consultations focused on particular scheme objectives, such as public access (Box 2).
- 1.8 The 2012 stocktake of Glastir noted that once the Welsh Government had made its initial announcement on Glastir there was 'an intense period of debate and discussion between Welsh Government officials, landholders and key stakeholders with ...over 100 meetings taking place'. Organisations attending these meetings included both farming unions, the Country Land and Business Association, the National Parks, the Welsh Commons Forum, the Common Land Working Group, Environment Agency Wales, the National Trust, the Countryside Council for Wales and various landholder groups from across Wales.

Box 2: The Welsh Government established a stakeholder group to help it design Glastir

The stakeholder group met on nine occasions between May 2009 and October 2010. The main discussions focussed on the design of the different scheme elements including, at an individual prescription level, the Whole Farm Code, and the communications and training required to implement Glastir.

The stakeholder group consisted of 20 external representatives from 14 organisations, as well as Welsh Government officials. Although the interests of most relevant organisations were represented on the stakeholder group, some stakeholders, such as the Brecon Beacons National Park Authority, had little involvement at this stage. However, in this instance, the Snowdonia National Park Authority attended the group.

While the Welsh Government formulated the initial design, the stakeholder group provided comments and recommendations on the individual options available to contract holders and on specific wording of the Whole Farm Code, as well as wording at a more general level. The Welsh Government provided a documented response to each comment received and, where it deemed it appropriate, amended options or other documentation.

The Welsh Government also provided the stakeholder group with details of the land used to test the choice of options and the scoring thresholds for the Glastir pilot study in December 2009. In light of these pilots, the Welsh Government made further changes to options and the Whole Farm Code.

The formal stakeholder group disbanded in October 2010, following the launch of Glastir Entry, and was replaced by smaller, more focused groups. These included a group representing the farming community and a group representing environmental interests. These groups met regularly during 2011 and continue to meet on a six-monthly basis. In 2011, a Woodland stakeholder group and an Advanced Access forum also met to discuss these particular aspects of Glastir.

Source: Wales Audit Office

1.9 Overall, the Welsh Government's consultation was thorough and wide-ranging. However, the national park authorities and Royal Society for the Protection of Birds (RSPB) told us that the Welsh Government had missed the opportunity to draw on their expertise for the technical design of Glastir, and that consultation during the detailed design stage was a 'tick-box' exercise. The Glastir Independent Review Group also criticised the way in which the Welsh Government engaged with stakeholders in designing Glastir. The Group felt that stakeholders should have been more continuously involved in testing, or as the Group referred to it 'proofing', the design of Glastir as it emerged.

Glastir includes some of the strengths and learning from previous agri-environment schemes

Like Tir Gofal, elements of Glastir have a scoring system that allows the Welsh Government to prioritise applications, and the Welsh Government intends to extend this approach to other elements of the scheme

1.10 For Glastir Advanced and Glastir Woodland Management, the Welsh Government scores the land covered by the application for its potential to deliver the scheme's objectives. It then uses the scores to prioritise applications, and target negotiations with the highest scoring applicants.

1.11 The Welsh Government does not currently use scores to prioritise applications for Glastir Entry. Instead, the Welsh Government has established the minimum level of activity that an applicant must commit to undertake if their application is to be successful. Therefore, applications are scored only to ensure that the scheme delivers this

minimum level of activity required by the Welsh Government. The scheme allocates a prescribed number of points for each initiative undertaken. For example, creating a three-metre wide corridor for tree and shrub planting on improved land attracts 2.11 points. Successful applicants for Glastir Entry must meet one of two points thresholds:

- a to achieve a 'standard entry level threshold', applicants must agree to actions that in total score at least 34 points per hectare; or
- b to achieve a 'reduced entry level threshold'⁹, applicants must agree to carry out actions that in total score at least 17 points per hectare.

1.12 In January 2014, the Welsh Government proposed that all elements of Glastir should incorporate a prioritisation process. It stated that due to budget constraints it envisaged prioritising new Glastir Entry applications and all applications to extend existing Glastir Entry contracts.

The Welsh Government has promoted continuity between Glastir and its previous schemes, although the initial participation rate in Glastir Advanced by Tir Gofal agreement holders has been lower than anticipated

1.13 The National Assembly for Wales' Audit Committee's 2008 report on Tir Gofal¹⁰ found that the Welsh Government had not successfully managed the transition from predecessor schemes into Tir Gofal, or taken appropriate steps to ensure that the benefits of predecessor schemes would be sustained following the introduction of Tir Gofal¹¹. The Committee recommended that the Welsh Government should develop a sound exit strategy for Tir Gofal.

⁹ To increase participation in Glastir Entry, the Glastir Independent Review Group recommended a reduced entry level threshold, which the Welsh Government accepted. However, applicants joining Glastir Entry on the basis of a reduced entry level threshold cannot apply to join Glastir Advanced.

¹⁰ *Tir Gofal*, September 2008, National Assembly for Wales' Audit Committee.

¹¹ Tir Cymen and the Environmentally Sensitive Area scheme were the predecessor schemes to Tir Gofal, and both were restricted to certain parts of Wales.

- 1.14 We found that the Welsh Government had responded positively to this recommendation and had managed the transition from Tir Gofal to Glastir more effectively than it had the transition from Tir Cymen and the Environmentally Sensitive Area scheme to Tir Gofal. Tir Gofal agreement holders are confident that improvements secured under the scheme will continue after it ends. Our survey analysis of Tir Gofal agreement holders showed that for all Tir Gofal objectives, a high percentage of respondents felt that improvements secured under Tir Gofal would continue beyond the end of their agreement (Figure 2).
- 1.15 For Glastir, the Welsh Government has prioritised landholders holding a Tir Gofal agreement, offering them an uninterrupted transition into the new scheme. In July 2009, the Welsh Government extended existing Tir Gofal agreements to 31 December 2013 to enable Tir Gofal agreement holders to move into Glastir immediately after their agreements ended. In 2013, the Welsh Government also introduced a 'fast-track' process to allow immediate entry into Glastir Advanced of Tir Gofal farms with the most potential to deliver environmental benefits.
- 1.16 The fast-track process involved the Welsh Government scoring all of the farms on the Tir Gofal scheme where the landholder had previously expressed an interest in joining Glastir, and ranking their potential to deliver the objectives of Glastir. The Welsh Government then identified, and wrote to, the 881 farms with the highest scores advising them that they could apply for a Glastir Advanced contract assessment. Landholders needed to apply before 31 March 2013, with successful applicants receiving funding and commencing their Advanced contracts from January 2014.
- 1.17 The Welsh Government allowed the 881 Tir Gofal agreement holders with the highest scores to join Glastir Entry and Glastir Advanced at the same time, meaning that for the fast track group their Glastir Entry contracts and Glastir Advanced contracts started simultaneously on 1 January 2014. This approach promoted continuity by avoiding a gap of at least a year between landholders leaving Tir Gofal and entering Glastir Advanced.

Figure 2: Likelihood that improvements made under Tir Gofal will continue after the agreement ends in December 2013

Tir Gofal objective	Yes	No	Don't know	Total
Habitats of importance to wildlife	76% (198) ¹	9% (23)	15% (40)	261
Permissive public access	71% (36)	23% (12)	6% (3)	51
The rural landscape	77% (164)	6% (13)	17% (35)	212
Statutory public access	85% (23)	4% (1)	11% (3)	27
The historic environment	76% (92)	7% (8)	17% (21)	121

Note

Figures in brackets represent number of respondents

Source: Wales Audit Office survey of Tir Gofal agreement holders

- 1.18 Landholders who were not a part of Tir Gofal but wish to join Glastir Advanced must participate in Glastir Entry for at least one year before their Glastir Advanced contract can start. The Welsh Government's view is that participation in Glastir Entry for at least a year will familiarise landholders who were not part of Tir Gofal with the processes and obligations of an agri-environment scheme, before they seek to join the more demanding Glastir Advanced.
- 1.19 Glastir Advanced contract managers do not always tailor Glastir Advanced contracts to build on work started or already completed under Tir Gofal. The Welsh Government decided that, in some cases, it should not provide further funding to build on the achievements made under Tir Gofal. This approach is supported by the findings from recently published reviews of the impacts of previous agri-environment schemes.¹² The reviews found that the impact of Tir Gofal on species had been negligible '... in part due to inappropriate management, but largely due to options being located on the wrong type of land or geographical area'. The Welsh Government therefore continued to fund work started under Tir Gofal only where the work was in an area identified as correct for that type of intervention.
- 1.20 Although the Welsh Government has used the fast track process to promote continuity between Tir Gofal and Glastir, the rate at which Tir Gofal agreement holders applied to join Glastir Advanced from January 2014 was lower than the Welsh Government had anticipated. Only 60 per cent of Tir Gofal agreement holders selected by the Welsh Government for a Glastir Advanced assessment submitted an application. Based on its experience of previous agri-environment schemes, the Welsh Government had anticipated that approximately 78 per cent of those selected for Glastir Advanced would apply for a contract to start in January 2014.
- 1.21 We asked those Tir Gofal agreement holders who had not applied for a Glastir Advanced contract for 2014 to identify, from a list of 11 possible reasons, why they did not apply (Figure 3).
- 1.22 We also identified some other reasons that may have contributed to the lower than expected uptake of Glastir Advanced contracts for 2014:
- a **Shortcomings in the Welsh Government's communications during the changeover to Glastir might have deterred some Tir Gofal agreement holders from applying to join Glastir.** Analysis of our survey responses showed that Tir Gofal agreement holders who did not apply for a Glastir Advanced contract to begin in January 2014 were more likely to have been critical of the Welsh Government's communications about the scheme. In particular, they highlighted poor quality information provided by the Welsh Government about the need for change and to explain the transition from Tir Gofal to Glastir.
 - b **Some agreement holders who had already completed substantial environmental works under Tir Gofal thought that they would struggle to qualify for Glastir.** This is because they thought that they would not be able to do further works to gain sufficient points to join Glastir Entry, which is prerequisite to joining Glastir Advanced¹³.

¹² The results of the Welsh Government's evaluation of the three predecessor agri environment schemes are set out in four reports: three individual reports describing the impacts of the schemes on habitats, species and soil, carbon and water and a synopsis report which draws together the findings from the three more detailed reports. All four reports can be found on the Welsh Government's Glastir site: www.wales.gov.uk/topics/environmentcountryside/farmingandcountryside/farming/schemes/glastir/tircynnal-tirgofal-monitoring-evaluation/?lang=en

¹³ Both the *Inquiry into Glastir* (Rural Development Sub-Committee, March 2010) and the *Glastir: All Wales Element Independent Review* (Glastir Independent Review Group, March 2011) expressed this view.

Figure 3: The six main reasons given by 75 Tir Gofal agreement holders for why they did not apply for a Glastir Advanced contract to start in January 2014

Reason	Percentage of respondents	Number of respondents
Glastir scheme payments will not cover the costs of the work required.	53%	40
The Glastir application process was not clear to me.	51%	38
I do not believe that the Glastir scheme will bring sufficient benefits to my farm.	51%	38
Being part of the Glastir scheme would have created too much paperwork for me.	44%	33
I decided that applying to Glastir would be too time consuming.	35%	26
I do not believe that the Glastir scheme will deliver its intended benefits.	35%	26

Source: Wales Audit Office postal survey of Tir Gofal agreement holders (August 2013)

c **Some landholders considered that Tir Gofal was a better scheme than Glastir.** At the end of our survey of Tir Gofal agreement holders, we asked respondents if they wished to make any further comments regarding Welsh Government funded agri-environment schemes. Forty-four of the 321 survey respondents used this opportunity to provide a positive comment about Tir Gofal, with 28 of these explicitly describing Tir Gofal as a better scheme than Glastir. Our analysis of the 28 comments indicated that the main reasons for favouring Tir Gofal were a lower level of bureaucracy, better payment rates and the higher level of project officer support.

1.23 The Welsh Government told us it has examined many cases of landholders who publicly claimed they could not get the points to enter Glastir Entry. The Welsh Government did not identify any farm that could not get sufficient points to enter the scheme. In some cases the landholder decided to join Glastir, and in other cases they accepted that scheme design did not prevent them from joining Glastir, but determined that the remuneration was not a sufficient incentive. In addition, the Welsh Government told us that, because field management options alone can provide sufficient points to reach the threshold needed to join the scheme, landholders will be able to join if they are willing to do the activity required, irrespective of whether there is capacity for additional capital work.

Glastir is better targeted than previous schemes

1.24 In our 2007 report on Tir Gofal, we recommended that the Welsh Government considers tailoring the scoring system to better reflect local conditions and policy priorities. We found that across all five elements of Glastir, the Welsh Government is focussing its interventions to contribute to the delivery of the scheme's objectives (Appendix 3). The main features of the Welsh Government's design of Glastir which contribute to a more targeted approach are:

- a A clear set of priorities for Glastir Advanced to deliver against. Examples of priorities for Glastir Advanced are arable plants, the chough¹⁴ and scheduled ancient monuments.
- b An emphasis on soil carbon, water quality and water quantity as the three main priorities for the early years of the scheme.
- c Specification of the actions most likely to deliver against the scheme's priorities.
- d The identification of the areas in Wales where the Welsh Government will pay for actions to support Glastir's priorities, such as the locations where the Welsh Government will pay for:
 - actions to maintain and enhance habitats of importance to the chough;
 - woodland management to improve public access to the countryside; and
 - tree planting, by establishing Strategic Creation Areas.
- e The creation of a scoring system, which prioritises applications from landholders who have farms with the greatest potential to deliver Glastir's objectives.

1.25 Glastir Advanced is also an improvement on Tir Gofal because of the way in which it targets payments to landholders to allow more public access to their land. Under Tir Gofal, landholders could receive payment if they created public access routes on their land for horse riders, cyclists, walkers and disabled people. However, the Welsh Government and some stakeholders had questioned the value of some of the access created under Tir Gofal. *Sustaining the Land*, the Welsh Government's 2008 review of the effectiveness of its agri-environment schemes, highlighted some of the difficulties with permissive access under Tir Gofal. Frequently, members of the public were unaware of permissive access routes, or found it difficult to find these routes or their connections to existing routes. Sometimes routes stopped abruptly at a field boundary or provided a relatively short loop around a single farm.

1.26 The Welsh Government has taken a more restrictive approach to creating permissive access within Glastir. Permissive access payments are now only available where either:

- a permissive access was previously provided under Tir Gofal and is seen as worthwhile by the Glastir contract manager;
- b the land is within one kilometre of a Trail Centre;
- c the proposed route enhances a National Trail, the Great Dragon Route Bridleway or the Wales Coastal Path; or
- d the land is within a Regeneration Area or a Communities First Area.

¹⁴ The chough is a member of the crow family that has a restricted westerly distribution in the British Isles and has a small and historically declining population. The chough is recognised as a Species of European Concern.

Enhancements introduced in Glastir have greatly extended the coverage of agri-environment schemes on common land

- 1.27 In response to low participation in Tir Gofal by owners of common land, the Welsh Government decided to develop a specific Commons element within Glastir. Commons Development Officers support this element of the scheme and transaction payments are available for landholders to finance the costs of developing grazing associations, which are a prerequisite of joining Glastir Commons.
- 1.28 As of May 2013, there were 147 Glastir Commons agreements covering 48 per cent of the common land in Wales. Tir Gofal agreements covered only two per cent of the common land in Wales.

The detailed design of Glastir has weaknesses, including some of the flaws from Tir Gofal

There is still some risk that Glastir payments will not deliver their intended improvements because landholders do not change their management practices, although this risk is smaller than under previous schemes and will be further mitigated from 2015

- 1.29 In our 2007 report on Tir Gofal, we found that for some landholders their Tir Gofal agreement did not require them to change their management practices because they were already using the environment-friendly practices detailed in their Tir Gofal agreement. We identified the risk that some landholders would be eligible for payments under Tir Gofal without doing anything differently and, as a result, habitats on their land would not improve as a result of their involvement in the scheme.

- 1.30 The independent evaluation of Tir Gofal commissioned by the Welsh Government, which reported in 2013, showed that these risks had been realised. The evaluation found that only 55 per cent of Tir Cynnal agreement holders and 68 per cent of Tir Gofal agreement holders believed that they had altered the management of their land because of the scheme. The evaluation report concluded that it could 'be argued that a significant proportion of scheme agreements do not necessitate management change and therefore do not provide any 'additionality'¹⁵. This is further supported by many field survey observations that showed no or little difference between scheme and non-scheme farms. The report further concluded that 'Given that Tir Gofal was a higher level scheme aimed at enhancing target species population and habitat, in this respect the scheme can be seen to have failed against a key objective'.
- 1.31 Within Glastir Advanced, Glastir Entry and Glastir Woodland Management there are two types of payments: management payments and capital works payments. To receive management payments, landholders must comply with a series of land management practices. For example, under Glastir Advanced the Welsh Government will pay landholders £122 per hectare per annum to retain winter stubbles, to help better manage arable land to create the 'ideal conditions for a variety of rare flowers, mosses and lichens'. Capital works payments include funding for: scrub clearance; fencing; hedging; dry stone wall restoration; and control of bracken, rhododendron and invasive plants species.

¹⁵ 'Additionality' means here a change in farming practice over and above what the landholder would have done if they were not participating, and not receiving payment, as a part of an agri-environment scheme.

1.32 Capital works payments deliver greater certainty for the Welsh Government, than management payments, that it is purchasing something that will lead directly to an environmental improvement. This is because there is more of a risk that management payments will not require the landholder to change their practices. In recognition of this risk, the Welsh Government has allocated a larger proportion of funding for capital works than under the predecessor agri-environment schemes, thereby reducing the likelihood that Glastir agreements do not provide additionality:

- a Capital works payments accounted for less than one per cent of expenditure on Tir Cynnal. For Glastir Entry contracts starting in 2012 and 2013, capital works payments account for 36 per cent of the costs of the contracts.
- b Capital works payments accounted for about 30 per cent of expenditure on Tir Gofal. In the first two years of Glastir Advanced (ie, to 31 December 2014), capital works payments are forecast to account for 50 per cent of total payments.

1.33 Entry level schemes typically make smaller payments to landholders. In some circumstances it may be appropriate for an entry-level scheme to pay landholders to continue with existing practices, for example to maintain high value habitats rather than allow them to deteriorate, particularly given that recreating habitats which have been destroyed can be both costly and technically difficult¹⁶. In addition, the Welsh Government told us that it had explicitly designed some management options within Glastir Entry to reflect existing farming practices in order to

encourage the uptake of Glastir. The Welsh Government's evaluation of Tir Cynnal, its previous entry-level scheme, concluded that this scheme represented good value for money. This was because Tir Cynnal was effective in protecting existing habitats from destruction, at about a third of the cost per hectare of Tir Gofal. Moreover, the Welsh Government and some members of our reference panel told us that maintenance payments help mitigate the risk that, when livestock and crop prices are buoyant, landholders use habitat land for agricultural production to the detriment of habitats.

1.34 The Welsh Government has acknowledged that some landholders may be eligible for payments without needing to change their practices, and in January 2014 set out proposals to increase the likelihood that farming practices will need to change under the scheme. The Welsh Government proposes that where landholders select maintenance options within Glastir Entry, it will need to increase the beneficial environmental impacts which can be achieved. The Welsh Government also intends to prioritise Glastir Entry contracts to make it more likely that scheme payments will lead to environmental improvements.

1.35 Even more significant is the proposed reallocation of funding from Glastir Entry to Glastir Advanced. The sort of practices funded under Glastir Advanced are, by their nature, more likely to require a change in farming practice. Of the funding available under the 2007-2013 RDP, Glastir Advanced received 45 per cent and Glastir Entry 42 per cent. However, for the 2015-2021 RDP, the Welsh Government proposes that Glastir Advanced will receive 58 per cent and Glastir Entry 20 per cent of available funding¹⁷.

¹⁶ For example, the Welsh Government told us that to restore limestone grassland which had been grazed intensively to a good environmental condition could take as long as 100 years.

¹⁷ The total spent on Glastir Advanced and Glastir Entry has reduced from 87 per cent of available funds to 78 per cent of available funds. The nine per cent of funds that have become available have been transferred to other elements of the scheme, particularly woodland creation. The January 2014 consultation document proposes increasing spending on woodland creation and management from four per cent of available funds to 10 per cent of available funds.

Nevertheless, at the application stage, the Welsh Government still does not collect any information on existing farm management practices to support its decision making. There remains, therefore, an inherent risk that Glastir Advanced management payments will not deliver as fully as possible the stated objective of 'significant improvements to the environmental status of a range of habitats, species, soils and water'.

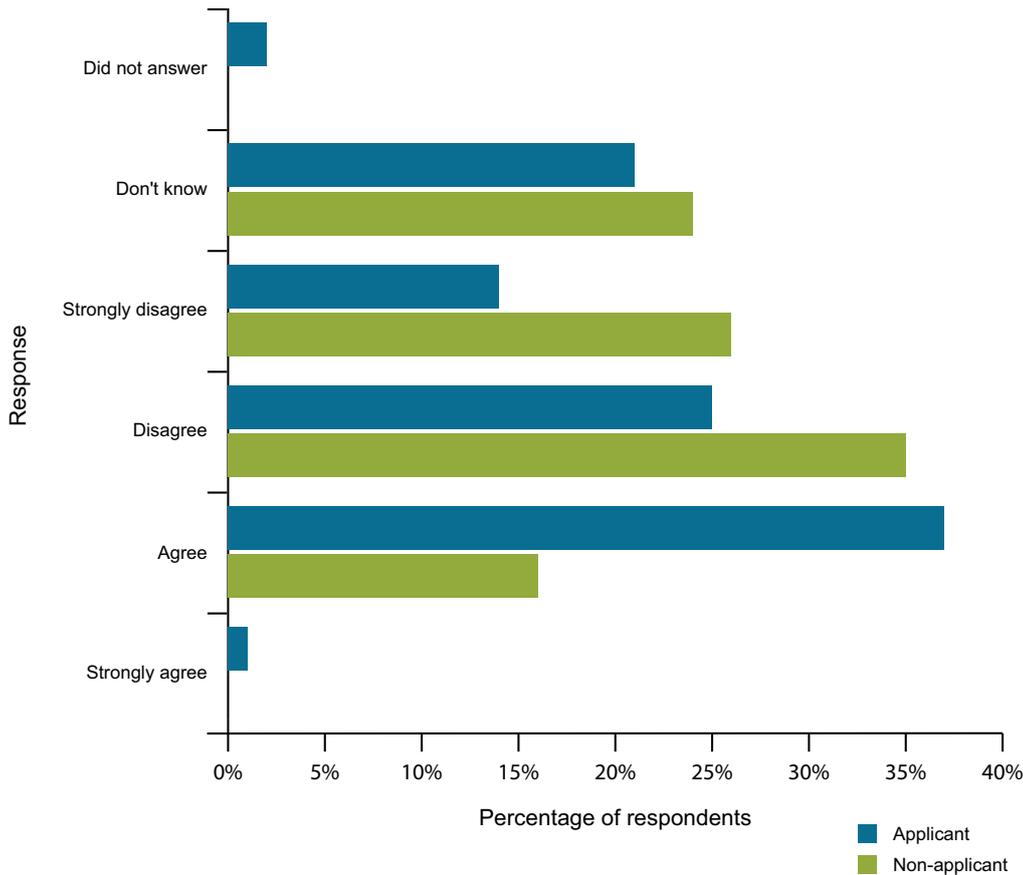
The Welsh Government acknowledges that aspects of the scheme are overly complex and is developing proposals to simplify the scheme

- 1.36 Evidence submitted to both the Glastir Independent Review in March 2011 and the Glastir Stocktake in June 2012 suggested that landholders found the scheme to be complex and inflexible. The former report stated that 'it seemed to some farmers the scheme had not been properly thought through and deterred some from applying due to its inflexibility and complex nature'.
- 1.37 In our survey of Tir Gofal agreement holders we asked whether Glastir was well designed to meet the Welsh Government's stated objectives for the scheme. This question had two parts; a scale from strongly agree to strongly disagree and a free text box which asked agreement holders to explain their response to the scale. More survey respondents (44 per cent) disagreed or strongly disagreed with the statement that Glastir is well designed to meet its stated objectives, than agreed or strongly agreed with the statement (31 per cent). Further analysis showed that Tir Gofal agreement holders who had not applied to join Glastir were more likely to disagree or strongly disagree with the statement (Figure 4).

- 1.38 The key message to emerge from our analysis of the comments made was that the design of Glastir was too complex. Although most respondents did not explain why they felt the scheme was overly complex, a small number pointed to the complexity of the points system within Glastir Entry, what they considered to be the longer than necessary list of options and too many scheme rules. Twelve respondents to our survey considered that the scheme was overly prescriptive and inflexible. Specific examples included only allowing whole farms to participate, not allowing for the seasonal effect on grass height, and having fixed deadlines for removing stock and planting.
- 1.39 The Welsh Government's January 2014 consultation document on the future of Glastir acknowledged that it could have achieved similar levels of participation with a simpler scheme and at significantly reduced costs. However, in the Welsh Government's view, some of the scheme's complexity was due to incorporating stakeholder demands into the design and they told us that the number of options reflects the pressures they faced from the farming community and external reference groups, particularly from the Glastir Independent Review Group, to introduce additional flexibility by providing more options¹⁸. The consultation document makes a number of proposals to simplify the scheme, such as removing options for which there has not been substantial demand.

¹⁸ The Glastir Independent Review Group comprised: eight representatives of famers and landholders (National Farmers Union, Farmers Union Wales, Young Farmers' Clubs, Country Land Owners Association and a representative of the diary sector in Wales); one representative of the environmental groups; one representative of the organic farming sector and one independent academic. The group was chaired by a livestock producer. The Independent Review Group recommended 16 new options for inclusion within Glastir Entry, 12 of which were accepted, accepted in part or accepted in principle by the Welsh Government. In addition, in five instances the Welsh Government responded to the Independent Review Group's recommendation to modify an option by introducing a new option covering the suggested modification.

Figure 4: Responses to our survey question ‘Do you agree that Glastir is well designed to meet the Welsh Government’s stated objectives for the scheme?’

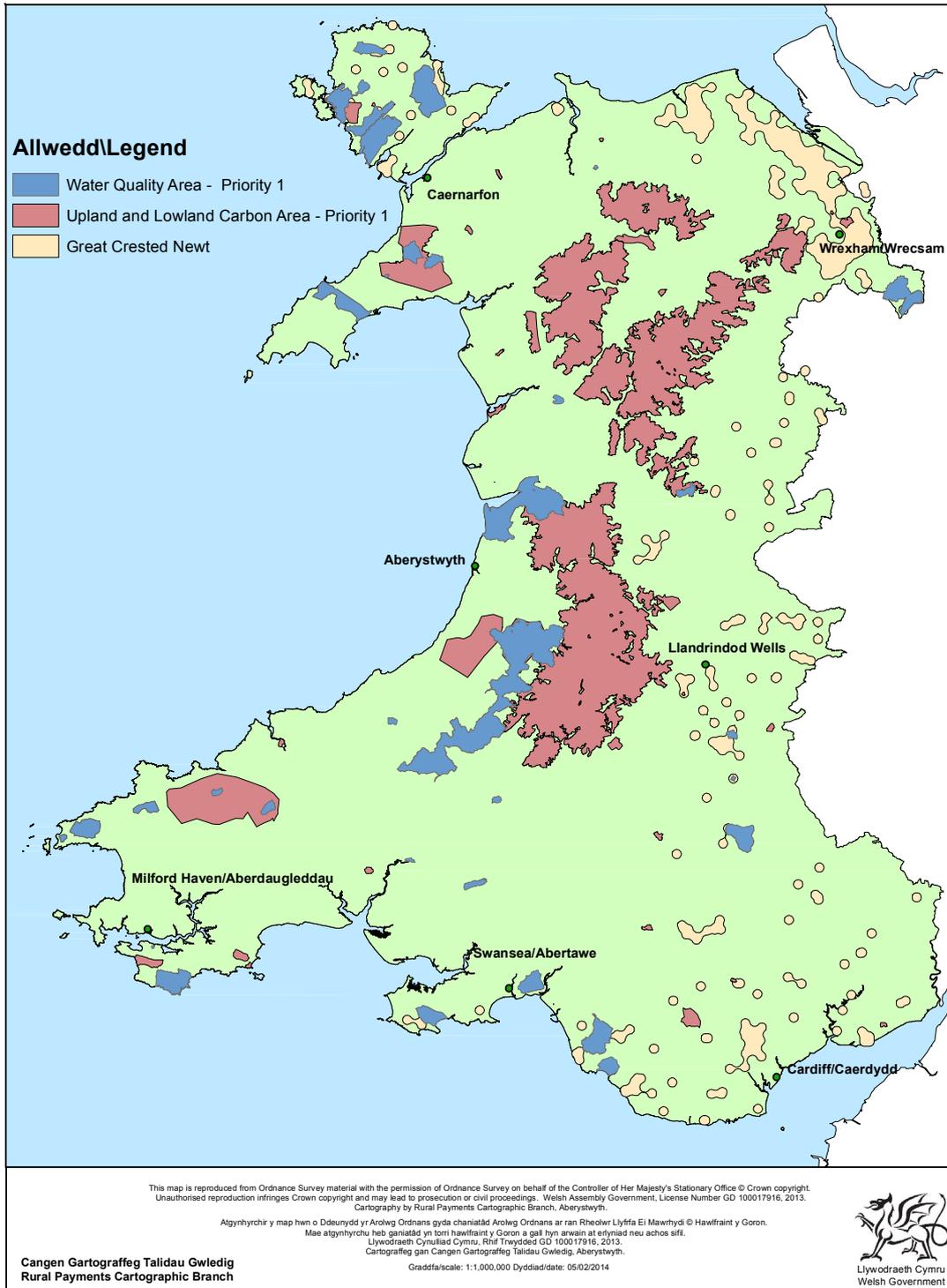


Source: Wales Audit Office postal survey of Tir Gofal agreement holders (August 2013)

The Welsh Government has recognised that it needs to better target certain landholders to coordinate environmental improvements

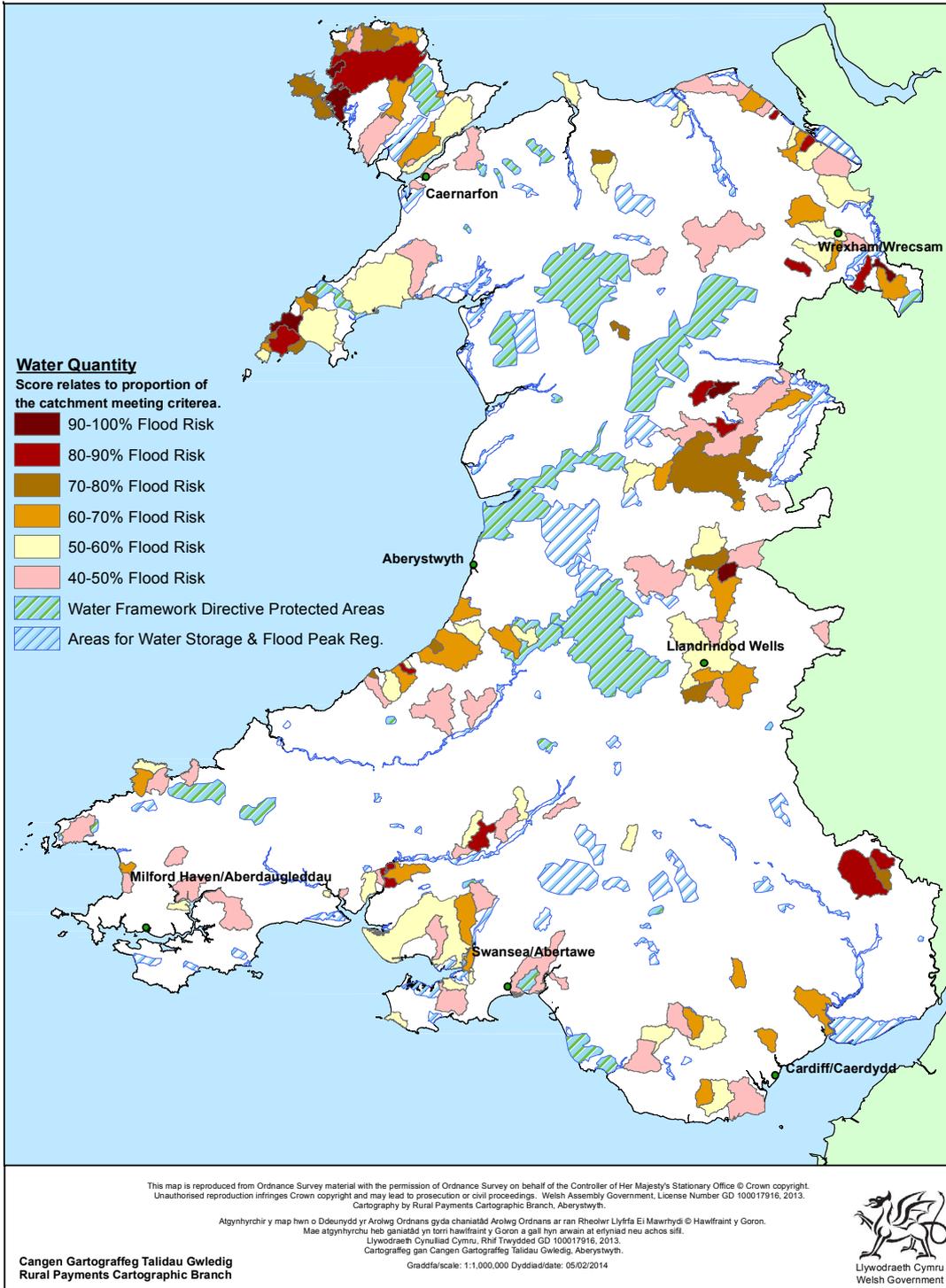
1.40 For the first two years of Glastir Advanced, the Welsh Government decided to prioritise carbon management, water quality and reducing flood risk. The Welsh Government has also identified the areas where the scheme can have the greatest impact. For example, the scheme identifies great crested newts as being at risk and an increase in their population is an indicator of improving water quality (Figures 5 and 6).

Figure 5: Map showing the areas in which the Welsh Government will fund interventions to improve water quality, prioritise carbon management and protect and enhance great crested newts



Source: Welsh Government

Figure 6: Map showing the areas in which the Welsh Government will fund interventions to reduce the risk of flooding



Source: Welsh Government

- 1.41 The Welsh Government has prioritised areas where the scheme is likely to have the greatest impact. However, within these areas there are no arrangements within Glastir to target individual farms or groups of farms, which means that:
- a improvements requiring collective and coordinated action across groups of farms might not be delivered; and
 - b by not actively promoting applications from adjacent farms, opportunities might be missed to connect habitats in areas identified for habitat improvement, thereby increasing the scale of the habitat available to any given species.
- 1.42 There is also risk of failure to tackle, through Glastir, poor agricultural practices on a small number of farms that can be responsible for much wider water quality problems. The Welsh Government told us that it did not have access to available information about individual farms which are contributing to wider quality problems.

However, the design of Glastir means that, should such information become available, it could be used to target farms that cause water quality problems.

- 1.43 The Welsh Government acknowledges the need to increase the targeting of individual landholdings and groups of landholdings within priority areas. Its January 2014 consultation on the future of Glastir proposes that within Glastir Advanced it will fund development officers to facilitate joint applications. Where there are such joint applications, the Welsh Government proposes to make higher payments in recognition that collaborative working between landholders can bring greater benefits to the environment in the longer term. The RSPB provided us with an example of where it was working to achieve such collaboration, supported by Glastir ([Case Study 1](#)).

Case study 1: An example of collaborative working across farms

Twite, a member of the finch family, is a rare bird species in Wales, restricted to Northern Snowdonia. A 2008 survey found only an estimated 14 to 17 pairs of twites, compared to 20 – 40 pairs in 1999. Individual farms are unable to provide the species with its full habitat needs. RSPB Cymru, in partnership with the National Trust, started a project in 2011 to establish the types and extent of habitats required over a wider landscape area. This involves a collaboration of six farms within the core twite breeding area.

RSPB Cymru put in place an advisory officer and established a delivery plan and targets for the amount and types of habitat required. The role of the advisory officer was to build relationships with the landholders and show how best they could coordinate their efforts. RSPB Cymru believes the project has been well received by the landholders. One of the main methods to aid habitat delivery was to secure Glastir funding.

The Welsh Government told us that three Glastir Advanced contracts include actions to support the twite. RSPB Cymru worked with Welsh Government contract managers to incorporate the appropriate management into the landholders' Glastir Advanced contracts. The Welsh Government could not tell us whether these three contracts related to land involved in the original RSPB Cymru project. However, RSPB Cymru is confident that the three farms with the actions to support the twite were three of the six involved in its project.

Source: Wales Audit Office, based on information provided by RSPB Cymru and the Welsh Government

Part 2

The Welsh Government has strengthened its arrangements to administer Glastir, but there remains scope for improvement in some areas



The Welsh Government is not routinely monitoring the costs of administering Glastir, although there is some evidence of efficiency savings

- 2.1 The Welsh Government is not routinely monitoring the costs of running Glastir¹⁹. However, the Welsh Government does routinely monitor the overall cost of the administration of all Common Agricultural Policy schemes²⁰. Glastir is administered by officials who also work across a range of Rural Payments Wales' functions, and who are not required to apportion their time between different activities. In addition, until 1 January 2014, some Glastir Advanced contract managers worked on both Tir Gofal and Glastir. In the absence of a good understanding of scheme running costs, the Welsh Government cannot benchmark the efficiency of the scheme's administration against similar schemes operated by other countries.
- 2.2 The absence of a good understanding of scheme running costs also means that the Welsh Government cannot assess whether Glastir is achieving its objective of improving efficiency. In addition, while the Welsh Government has sought to make the process of mapping farms more efficient than under Tir Gofal, it has not quantified the impact of improvements in this area.
- 2.3 However, we were also able to find some examples of where the Welsh Government had quantified savings made through efficiencies. In April 2010, during the design of Glastir, the Welsh Government established an implementation work stream to develop a new organisational structure, and to populate this structure with trained staff capable of managing the new business

processes. The work stream decided that the already-established Rural Payments Wales multi-skilled teams should administer Glastir, and that administrative staff who had worked on Tir Gofal would move into the multi-skilled teams. Tir Gofal administrative staff had previously worked solely on that scheme, whereas staff in the multi-skilled teams work across a range of Rural Payments Wales functions.

- 2.4 Following the move to administering all of its agri-environment schemes through multi-skilled teams, the Welsh Government told us that 8.6 fewer administrative posts than previously used to deliver Tir Gofal are required for Glastir. This reduction in staff gives an annual saving of £210,882, based on costs in 2010-11. The Welsh Government has relocated all displaced staff to posts elsewhere within the organisation.
- 2.5 To assess whether Glastir is delivering the intended benefit of 'increase[d] productivity and efficiency', the Welsh Government intends to measure the number of contracts signed per contract manager per annum. The Welsh Government is expecting this to increase from the Tir Gofal baseline, as it has estimated that processing each Glastir Advanced application should take 6.25 days of contract manager time, whereas the Countryside Council for Wales²¹ calculated that it took an average of eight days to process a Tir Gofal application.

¹⁹ Our 2007 report found that the Welsh Government was not routinely monitoring the cost of administering Tir Gofal.

²⁰ These are all schemes funded under the European Union's European Agricultural Guarantee Fund (EAGF) and European Agricultural Fund for Rural Development (EAFRD) and include the Single Payment Scheme and Glastir.

²¹ The Countryside Council for Wales ran Tir Gofal on behalf of the Welsh Government from inception of the scheme in 1999, until the Welsh Government took on responsibility for Tir Gofal in April 2006. The Countryside Council for Wales was abolished and its functions transferred to Natural Resources Wales in April 2013.

The Welsh Government informed its plans for Glastir with an assessment of what it thought it needed to deliver the scheme efficiently, although resource constraints have hampered the effective implementation of elements of the scheme

2.6 We examined the extent to which the Welsh Government had put in place the resources needed to manage the level of participation that it expected for Glastir Entry, and wanted to achieve for Glastir Advanced. We did not examine the assessment of resources for the other, smaller parts of Glastir.

The Welsh Government identified the resources needed to process Glastir Entry applications, but its assessment was based on over-optimistic assumptions about the level of interest in the scheme

2.7 In March 2009, the Welsh Government carried out an assessment of the additional staffing resources it needed to deliver Glastir Entry. The assessment was based on having 14,000 contracts ready to start in January 2012 (Figure 7). The Welsh Government’s assessment was robust in that it had identified the main steps needed to process a Glastir Entry application, established the level of resource needed to deliver each step of the process for 14,000 new contracts, and quantified the gap between the staffing resource needed and staffing levels then in place. This exercise also identified the other resources needed to process these 14,000 contracts:

- a £5,000 for travel and subsistence costs where officers were required to work from offices other than their contracted office;
- b postage for sending out application packs;
- c costs for additional computers and telephones;

Figure 7: The additional staffing resources required by the Welsh Government to process 14,000 Glastir Entry contracts to start in January 2012

Time period resource required for	Total numbers of additional staff required
Mid May 2010 – Mid July 2010	Nine members of staff at Team Support level
Mid July 2010 – Mid Sept 2010	Six members of staff at Team Support level
October 2010 – October 2011	27 members of staff at Team Support level and three members of staff at Executive Officer level

Source: Welsh Government

- d additional telephone costs for arranging appointments for consultations;
- e £500 for paper for printing receipts, draft contracts etc; and
- f colour printers.

2.8 Although by May 2010 the Welsh Government had received 15,324 expressions of interest for a Glastir Entry contract to start on 1 January 2012, by November 2010 it was clear that the level of demand for Glastir Entry was much less than they had anticipated. By the November 2010 closing date, the Welsh Government had received just 2,918 applications for Glastir Entry agreements to start on 1 January 2012.

2.9 The Welsh Government had employed additional staff on the premise that it would need to process at least 14,000 Glastir Entry applications by 1 January 2012. However, the Welsh Government told us that even though the additional staff were not all needed to process Glastir Entry applications, they were usefully redeployed to fill existing vacancies within Rural Payments Wales. Further, the additional staff had been employed on a casual, rather than permanent, basis and at that time, the Welsh Government needed only to give casual staff a maximum of two weeks' notice to terminate their employment.

The absence of project officers is likely to have had a detrimental effect on participation in Glastir Entry

2.10 Glastir Entry does not provide landholders with support from project officers. This decision primarily reflected resource constraints rather than a robust assessment of the need for this type of support.²²

2.11 All but one of the four reviews of Glastir suggested that the absence of project officers has had a detrimental effect on the uptake of Glastir Entry. This was because:

- a In the absence of project officers to explain the scheme, landholders were discouraged from applying by what they saw as the overly complex nature of the scheme.
- b Landholders were reluctant to apply for Glastir Entry when faced with the challenge of identifying, without project officer support, the most appropriate management options for their farm. The choice of management options had not been a part of Tir Cynnal, the previous entry-level scheme.

2.12 However, the Glastir Ministerial Stocktake in June 2012, while noting the concerns about the absence of project officers, did not endorse the view that project officers should support Glastir Entry. The Minister's view was that the Welsh Government had provided sufficient support through events such as surgeries. He went on to add 'whilst the Government does need to make information and support freely-available to individual farm businesses, it is also the responsibility of each farmer to take decisions for their business and they must also accept responsibility to ensure that they have the information available to them to take that decision. It is neither fair nor reasonable to expect the taxpayer to fund all sources of advice and support'.

²² The Ministerial stocktake of Glastir in June 2012 stated that the decision was made at an early stage in the development of Glastir that employing project officers would not be 'possible within resource constraints at that time'.

- 2.13 To achieve the widespread coverage sought by Glastir Entry, the Welsh Government needed applications from many of the landholders who had participated in the Tir Mynydd scheme. However, a representative of the farming unions told us that Tir Mynydd payments helped to ensure the financial sustainability of farm business and, as a result, it was less likely that these landholders needed to join an agri-environment scheme while in receipt of Tir Mynydd payments. Their limited participation in previous agri-environment schemes meant that they were unfamiliar with the language and processes of agri-environment schemes. These landholders could have particularly benefited from project officer support to encourage their entry into the scheme. The Welsh Government acknowledges that lack of support from project officers may have deterred some landholders from applying for Glastir Entry.
- 2.14 For Glastir Entry contracts started in January 2014, the Welsh Government put in place additional support for landholders who wished to apply. The Welsh Government had identified that the 18 Commons Development Officers and the three Commons Development Officer Supervisors had spare capacity, and has used them for one-to-one meetings with prospective applicants at surgeries and at on-farm open days. There is some evidence that investing human resources in this way has increased interest and participation in Glastir Entry, as the number of contracts signed and ready to start in January 2013 was 594, while the respective figure for January 2014 was 2,077.

The Welsh Government's voluntary exit scheme initially affected plans to use existing Tir Gofal staff resources to deliver Glastir Advanced

- 2.15 In assessing the number of contract managers needed to deliver Glastir Advanced, the Welsh Government decided that Tir Gofal project officers would become Glastir contract managers²³, and that Glastir Advanced would be delivered using the same complement of staff as there had been under Tir Gofal. The Welsh Government estimated that this resource could deliver 500 Glastir Advanced contracts in the first year of the scheme, from 1 January 2013. However, the Welsh Government's Voluntary Exit Scheme had reduced the resources available for Tir Gofal by the equivalent of almost six project officers. A further eight Tir Gofal project officers left the Welsh Government over the same period.
- 2.16 In response to this loss of staff, the Welsh Government reduced the number of Glastir Advanced contracts that it aimed to award in the first year of the scheme, from 500 to 300, and began recruiting 14 contract managers. Welsh Government officials told us that recruitment to the vacant posts took 24 months, and it was not until May 2013 that the Glastir team had its full complement of 33.2 full-time equivalent Glastir Advanced contract managers. The European Union funds all of the newly recruited contract managers, and they now have two-year contracts until 31 December 2014. The Welsh Government told us that, although not yet agreed with the European Commission, it is confident that European funding will continue to support contract manager posts for Glastir, until 31 December 2020.

²³ Under Tir Gofal, officers working with landholders to develop and sign agreements were called project officers. Under Glastir Advanced, officers working with landholders to develop and sign contracts are called contract managers.

The Welsh Government spent £10.3 million to enhance its ICT system to support Glastir, which included unforeseen costs of £1 million

- 2.17 To help administer Glastir, the Welsh Government enhanced its existing information and communications technology (ICT) system. Both new hardware and software development were required, and the total cost to develop and implement the enhancements was £10.3 million. The Welsh Government told us that it mostly uses the system for Glastir. However, it also uses the system to deliver other aspects of its business, including managing and making payments under the Single Farm Payment scheme. The enhancements included:
- a Updating the system used by the Welsh Government to process grants to landholders, such as the Single Farm Payment scheme.
 - b Developing a geographic information system to support Glastir and to create the various mapping layers which underpin scheme decisions. Glastir Advanced has more than 130 maps, each relating to a scheme objective, which together set out where in Wales the Welsh Government believes it can best deliver the scheme's objectives.
 - c Changing some data into digital format, including archaeological features not previously available in this form, so that the data is compatible with the mapping systems.
- 2.18 In March 2011, the Glastir Independent Review Group reported on the Welsh Government's management of the first round of Glastir Entry, following which the Welsh Government made some significant changes to the way that Glastir Entry operates. These changes to Glastir Entry necessitated changes to the ICT system, at a cost of some £1 million.

The Welsh Government has recognised that its early communications about Glastir were inadequate, and is taking action that is more likely to deliver the required impact

- 2.19 Given the popularity of Tir Mynydd and previous agri-environment schemes, there was significant resistance from the farming community when the Welsh Government launched Glastir in 2009. The Snowdonia National Park Authority and the RSPB told us that the lack of an effective marketing and communications strategy during the time leading up to the scheme's launch had resulted in many landholders holding negative and inaccurate views that influenced opinions and reduced the uptake of Glastir.
- 2.20 The Welsh Government has acknowledged that its early communication and marketing of Glastir was poor. In October and December 2009, the Welsh Government shared an outline of a Marketing, Communications and Training plan for Glastir with stakeholders. Because this plan lacked some detail and was not finalised, the Welsh Government told stakeholders there would only be limited communication of information until after January 2010.
- 2.21 The Rural Development Sub-Committee's inquiry in March 2010 highlighted the time lag between the Welsh Government's announcement of Glastir and the availability of information, stating 'lack of information was a recurring theme...it is crucial that the Welsh Government provide proper information to farmers...much uncertainty remains among stakeholders regarding the new scheme and how it is to be implemented.' Subsequent to the Rural Development Sub-Committee's inquiry, each of the three further reviews of Glastir identified poor communication as an issue, exacerbated by the large number of changes to the scheme over time.

2.22 The Glastir Independent Review in March 2011 found that information about the entry-level scheme was subject to a large number of updates, leading to confusion. There were also inconsistencies in the guidance and a lack of information on the changes given to staff who were presenting workshops, which discouraged some landholders who were considering joining the scheme. Also, the information that was provided was limited to Glastir Entry, when landholders were also interested in accessing other elements of the scheme, such as Glastir Efficiency Grants. The Welsh Government accepted the review's recommendations to improve the provision of information and to provide a targeted training programme for relevant Welsh Government staff and a publicity campaign.

2.23 In June 2012, the Glastir Stocktake reiterated that the Welsh Government had not communicated the changes to Glastir in a timely manner between 2009 and 2011, and that this had deterred some landholders from applying to join the scheme. The Stocktake report also criticised other aspects of communications, including a failure to explain sufficiently the requirements of Glastir and the changes from previous schemes, and the Welsh Government's use of 'intimidating' and 'off-putting' language in its communications with landholders. However, the Stocktake found that the Welsh Government had responded to previous reviews and that application literature, guidance and training events had improved and were clearer.

2.24 During the Glastir Stocktake, the Welsh Government rebranded most elements of Glastir, with the objective of helping people to better understand the scheme (Figure 8). The Welsh Government also committed to the development and implementation of a Glastir communications strategy.

Figure 8: During the Glastir Stocktake, the Welsh Government rebranded most elements of the scheme

Original term	New term announced during the Glastir Stocktake
Glastir All Wales Element	Glastir Entry
Glastir Targeted Element	Glastir Advanced
Glastir Commons Element	Glastir Commons
Glastir Woodland Creation Grant	Glastir Woodland Creation
Glastir Woodland Management	Glastir Woodland Management
ACRES	Glastir Efficiency Grants

Source: Glastir Stocktake, June 2012

- 2.25 The report of the Environment and Sustainability Committee's inquiry, published in October 2012, also identified communications issues as a major concern. The Committee welcomed the appointment of a communications manager but noted that there was no clear deadline for the development of the proposed communications strategy. The Committee recommended that the Welsh Government develop and publish an initial strategic communications plan by January 2013.
- 2.26 The Welsh Government produced a Strategic Communications Plan in April 2013. The primary objectives of the plan were to ensure that:
- a farmers, foresters and land managers in Wales have access to sufficient, accurate information on all components of Glastir, enabling them to make an informed business decision on whether and when to join the scheme;
 - b stakeholders supporting the agricultural and forestry industries can advise their members and customers accordingly;
 - c key stakeholders, the media and the press fully understand the objectives of the scheme and can deliver positive, accurate messages to their audiences; and
 - d scheme uptake is such to meet the scheme outcomes set by the Welsh Government.
- 2.27 The Strategic Communications Plan set out specific activities for both external and internal communications, allocated responsibilities to individuals, set timeframes, and included the main messages that the Welsh Government wished to communicate to each stakeholder group. In its January 2014 consultation document on the future of Glastir, the Welsh Government proposed that it would regularly review the Strategic Communications Plan²⁴ and increase its use of digital communication channels. The same document also included the proposal to introduce a wholly online system for Glastir applications and set out the benefits of such an approach.
- 2.28 The Welsh Government acknowledged that a wholly online system risks precluding applications from potential applicants who do not have access to broadband or the ability to interact online. Respondents to the consultation document also raised concerns about access to fast broadband, although the majority favoured offering online applications as an option and accepted that a wholly online system might be the Welsh Government's eventual goal. In addition, our audit evidence demonstrates the importance to participation of providing opportunities for face-to-face communication between Glastir officers and landholder (paragraphs 2.10-2.14).
- 2.29 To address the risks of moving to an online application system, the Welsh Government will progressively introduce online applications for Glastir. Glastir Advanced and Organic will be introduced as fully on-line only components first. The remaining Glastir schemes will be phased in, with a fully on-line approach anticipated by the end of 2016-17. The Welsh Government has also told us that it intends to develop a package of support to help applicants apply online. Although the Welsh Government has yet to finalise the nature of the support, it is likely to include providing IT facilities and assistance with completing online applications at its four regional offices in Aberystwyth, Carmarthen, Caernarfon and Llandrindod Wells. In addition, the Welsh Government will continue to provide opportunities for face-to-face communication. Glastir Advanced will continue to be supported by Contract Managers. Also, the Welsh Government has told us that it intends to extend the Commons Development Officer posts to the end of 2015 and is seeking the resources to extend these posts to end of the next RDP in 2020. The Welsh Government intends the Commons Development

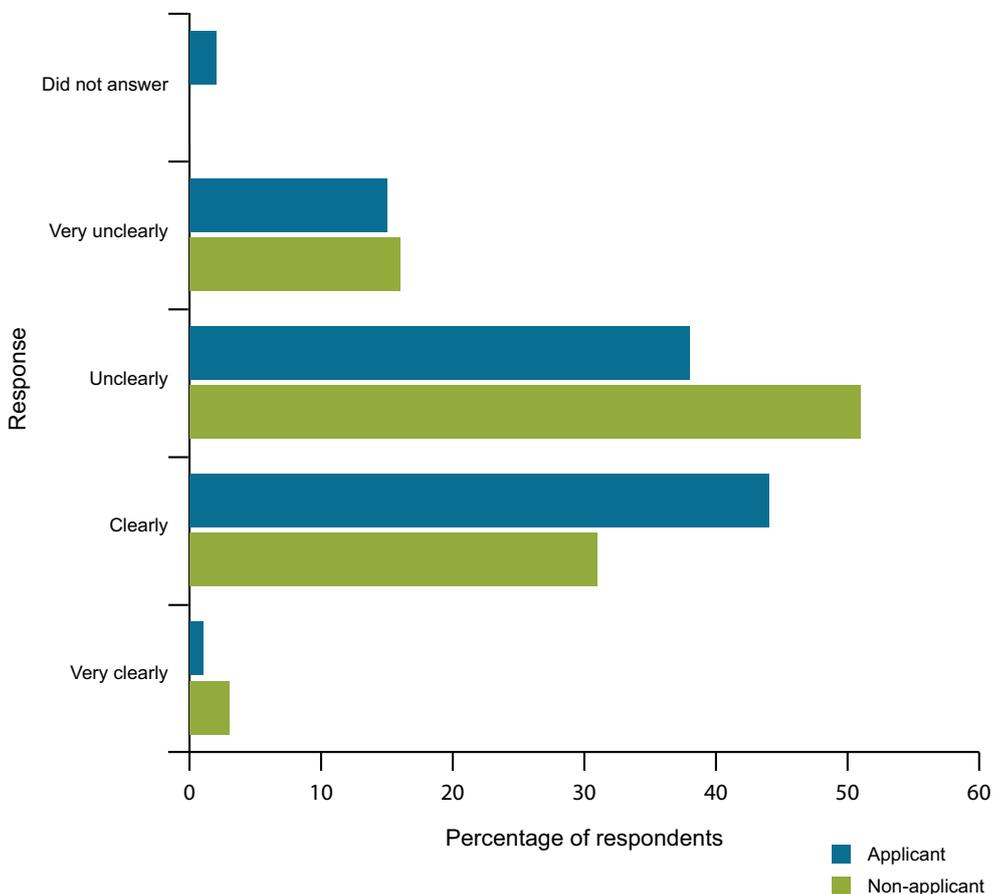
²⁴ In a subsequent document analysing the responses to its consultation paper, the Welsh Government committed to carrying out the first review of its Strategic Communications Plan during 2014.

Officers to continue to play a dual role and to support both Glastir Entry and Glastir Commons. The Welsh Government is also considering the human resources needed to facilitate Glastir Advanced applications from groups of landholders.

2.30 Many of the responses to our survey of Tir Gofal agreement holders in 2013 included comments about communications that were consistent with the findings from all of the four inquiries into Glastir. We asked three questions about communication and the quality of the information provided by the Welsh Government about Glastir.

2.31 We asked survey participants how clearly the Welsh Government had communicated its reasons for introducing the scheme. The majority (57 per cent) of survey respondents stated that the Welsh Government had communicated in an unclear or very unclear way about its reasons for introducing the Glastir scheme. Landholders who did not apply to join Glastir Advanced were more likely, than landholders who applied, to consider the Welsh Government’s communications about Glastir’s objectives as ‘unclear’ or ‘very unclear’ (Figure 9).

Figure 9: Responses to our survey question ‘How clearly do you think the Welsh Government has communicated to you its reasons for introducing the Glastir scheme?’

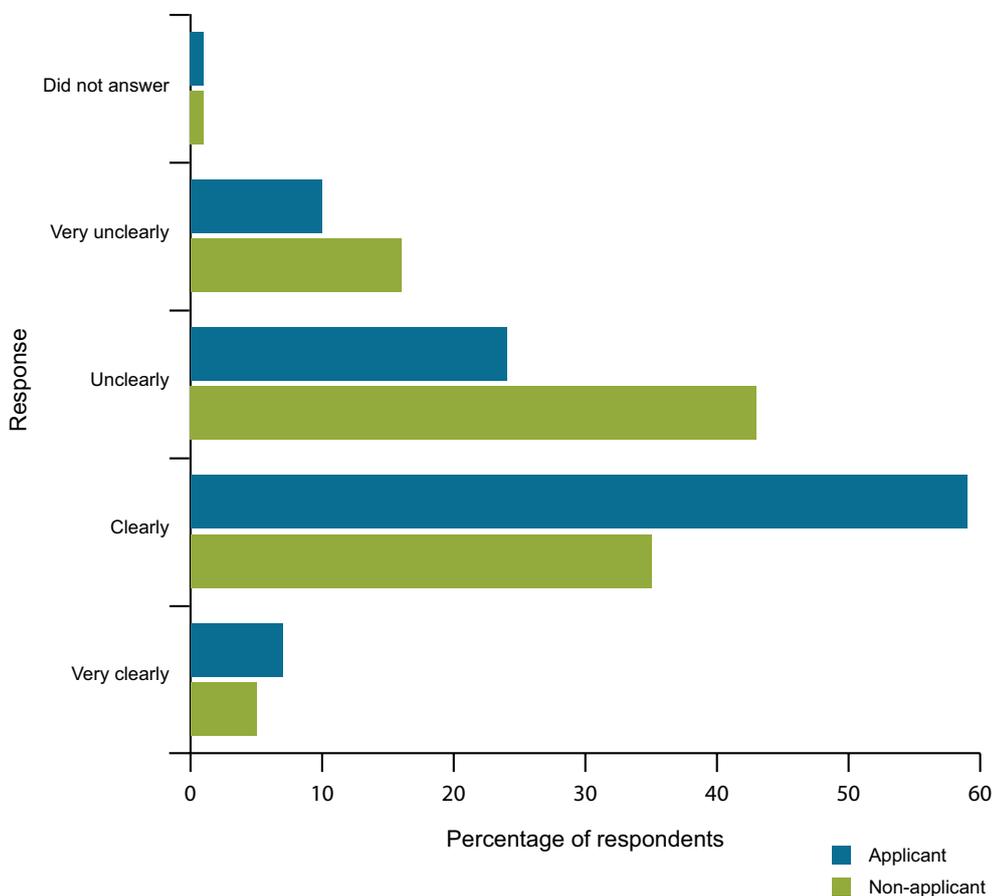


Source: Wales Audit Office postal survey of Tir Gofal agreement holders (August 2013)

2.32 We also asked Tir Gofal agreement holders to rate the clarity of the information provided by the Welsh Government about the options available to them when their Tir Gofal agreement came to an end. The majority of respondents (57 per cent) stated that information was clear or very clear, with 42 per cent of respondents stating that it was unclear or very unclear. Landholders who did not apply to join Glastir Advanced were more likely than landholders that applied to rate the information provided about what would happen when Tir Gofal finished as 'unclear' or 'very unclear' (Figure 10).

2.33 Where respondents indicated that the information provided was 'unclear' or 'very unclear', we asked them to identify any additional information they would have liked from the Welsh Government. One hundred and six respondents answered this question. However, these respondents did not in the main tell us what additional information they would have liked from the Welsh Government; rather they told us about the problems they perceived with the information provided by the Welsh Government. The most commonly cited concern, raised by 24 applicants and 20 non applicants, was about the sufficiency, clarity and consistency of information provided by the Welsh Government about Glastir. Of the remaining negative comments, the other theme to emerge,

Figure 10: Responses to our survey question 'How clear was the Welsh Government's information on the options available to you when your Tir Gofal agreement came to an end?'



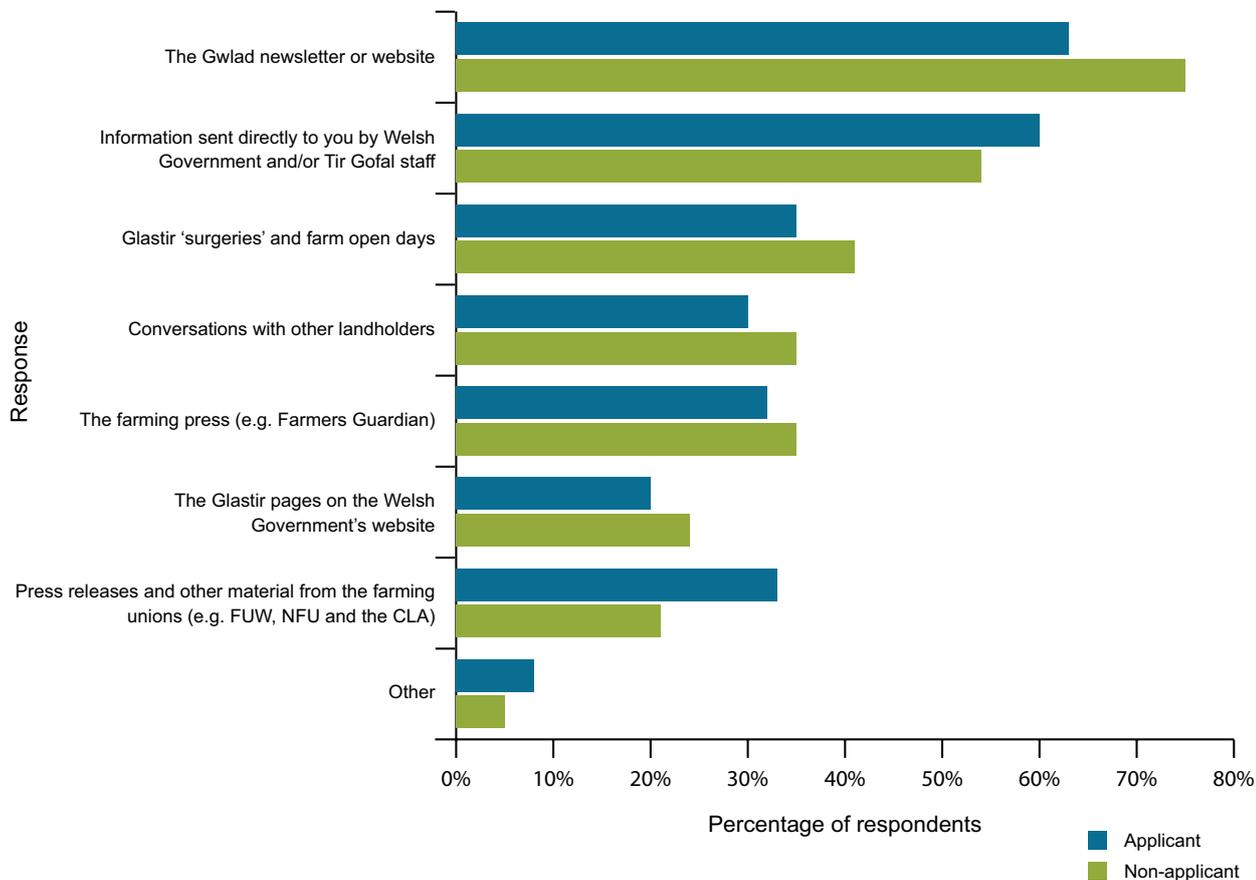
Source: Wales Audit Office postal survey of Tir Gofal agreement holders (August 2013)

raised by 13 non-applicants and six applicants, was the need for the Welsh Government to have provided greater personal contact with Tir Gofal project officers, to explain and support the transition from Tir Gofal to Glastir.

2.34 We also asked landholders where they had obtained their information about Glastir. Of the 321 respondents, 212 (66 per cent) used the Gwlad newsletter or website²⁵ making it the most popular method. One hundred and eighty three respondents (57 per cent) said they used information sent directly by the Welsh Government or from Tir Gofal officers. Only 21 per

cent of respondents used the Glastir pages on the Welsh Government's website and just 36 per cent of respondents had attended Glastir 'surgeries' and 'farm days' (Figure 11). Recent reviews²⁶ of Glastir acknowledge that the information provided by the Welsh Government through surgeries, farm days and on their website had improved. The Welsh Government's Glastir website holds the key documents landholders will need to understand the scheme design and the application process. The relatively low use made by participants of the website suggests that there is scope to better encourage more landholders to use this valuable resource.

Figure 11: Responses to our survey question 'Where did you get information about the Glastir scheme from (please tick all that apply)?'



Source: Wales Audit Office postal survey of Tir Gofal agreement holders (August 2013)

25 Gwlad is an agricultural and rural affairs information service run by the Welsh Government and delivered through newsletters and the internet.

26 These reviews were the Glastir Stocktake and the Environment and Sustainability Committee inquiry.

Part 3

Participation in Glastir is well below the Welsh Government's targets, some of which were unrealistic, and measures to evaluate the scheme's success have yet to be developed



With levels of participation much lower than planned, spending on Glastir has been substantially less than forecast

The Welsh Government has missed most of its targets for Glastir

3.1 To meet the requirements of the European Commission's Common Monitoring and Evaluation Framework (CMEF)²⁷, the Welsh Government has set targets covering all five elements of Glastir. As at 31 December 2013, the Welsh Government had missed most of these targets, only achieving some of the targets for woodland creation (Appendix 4). For example, only 2,190 Glastir Entry contracts had been agreed by 31 December 2013 compared with the target of 7,000 contracts, although an additional 2,382 Glastir Entry contracts had been agreed to start on 1 January 2014. In addition, for Glastir Advanced the Welsh Government had agreed 291 contracts to start on 1 January 2013, compared with its target of 500 contracts.

3.2 Glastir Commons is a relatively successful part of the scheme, even though the number of contracts signed is fewer than the target of 200 set by the Welsh Government under the CMEF. However, since this element of the scheme became operational in 2012, grazing associations have signed 147 contracts covering 48 per cent of the common land in Wales, compared with just two per cent of common land covered under Tir Gofal. The Welsh Government attributes this good progress to the 18 Commons Development Officers, three Commons Development Officer Supervisors, and the provisions within the scheme for 'transaction payments'. Transaction payments support graziers to establish grazing associations, which are a condition of entering Glastir Commons.

3.3 Primarily due to a delay by European member states in agreeing a budget for the RDP for 2014-2021, in December 2013 the European Commission extended the period covered by the CMEF targets to 31 December 2014. However, even with an additional year, the Welsh Government is forecasting that it still will not meet all of the Glastir targets. For example, although the Welsh Government is forecasting that by 31 December 2014 it will meet or exceed all three of the targets set for Glastir Efficiency Grants, and meet or exceed 10 of the 13 targets set for Glastir Advanced, it has forecast that it will still not meet six of the seven targets for Glastir Entry (Appendix 4).

The lower than expected levels of participation in Glastir have resulted in expenditure on the scheme being less than anticipated

3.4 The Welsh Government developed its first expenditure plans for Glastir in July 2009, using three scenarios:

- high uptake – a maximum total scheme spend in 2012 of £62.4 million based on high participation levels (15,191 Glastir Entry contracts);
- medium uptake – a total scheme spend in 2012 of £45.6 million based on medium participation levels (10,000 Glastir Entry contracts); and
- low uptake – a minimum spend in 2012 of £29.2 million based on low participation levels (7,000 Glastir Entry contracts)²⁸.

²⁷ The CMEF provides a single framework for monitoring and evaluating all rural development interventions across Europe, including agri-environment schemes, under the Rural Development Programme 2007-2013.

²⁸ We have been unable to identify the rationale for the figures for entry level contracts set out in the high, medium and low uptake scenarios.

3.5 To reflect reductions in anticipated numbers of Glastir Entry contracts, in October 2010 the Welsh Government reduced its estimate of expenditure on the scheme in 2012 to £24.7 million. In December 2010, the Welsh Government further reduced this estimate to £17.0 million. Ultimately, expenditure across all elements of the scheme was £10.5 million in 2012 (Figure 12). Annual expenditure across most elements of the scheme is expected to increase year-on-year until 2015, when it is expected to amount to just over £52 million (Figure 13). The Welsh Government plans to spend £119 million on Glastir to the end of 2015, and, by 31 December 2013, it had issued grant payments of just under £22 million.

Figure 12: Total expenditure on Glastir in 2012, compared to planned total expenditure for 2012

Date of forecast		Forecast expenditure in 2012	Difference between forecast expenditure and actual expenditure of £10.5 million in 2012
July 2009	High uptake scenario	£62.4 million	£51.9 million
	Medium uptake scenario	£45.6 million	£35.1 million
	Low uptake scenario	£29.2 million	£18.7 million
October 2010		£24.7 million	£14.2 million
December 2010		£17 million	£6.5 million
May 2012 ¹		£10 million	-£0.5 million

Note

¹ Figures relate to the 'realistic scenario' forecast in May 2012, which was based on contracts that had been agreed.

Source: Welsh Government

Figure 13: Actual and planned expenditure on each element of Glastir 2012-2015

Element	2012 actual spend	2013 actual spend	2014 spend to date and forecast spend	2015 forecast spend
Glastir Entry	£5.5 million	£4.9 million	£21.7 million	£22.5 million
Glastir Advanced	-	£0.2 million	£13.8 million	£20 million
Glastir Commons	£2.4 million	£1.5 million	£5.4 million	£4.6 million
Glastir Woodland Creation	£2.5 million	£2.1 million	£0.8 million	£0.7 million
Glastir Woodland Creation Premium	-	£0.02 million	£0.04 million	£0.04 million
Glastir Woodland Management	-	-	£0.6 million	£2 million
Glastir Efficiency Grants	£0.08 million	£2.7 million	£3.3 million	£1.5 million
Total Glastir	£10.5 million	£11.4 million	£45.6 million	£51.3 million

Source: Welsh Government (figures are rounded)

Some of the Welsh Government's targets for Glastir were unrealistic

3.6 The Welsh Government based its May 2009 target for 14,000 Glastir Entry contracts by January 2012 on the assumption that its existing agri-environment schemes and its Less Favoured Area scheme would end when Glastir started. However, Ministerial decisions in July 2009 meant that the existing agri-environment schemes (Tir Cynnal, Tir Gofal, Organic Farming Scheme) and the Less Favoured Area scheme (Tir Mynydd) were extended to run concurrently with Glastir. Consequently, 3,100 Tir Gofal and 4,300 Tir

Cynnal agreements were extended until 31 December 2013, and the Tir Mynydd scheme was extended into 2012, rather than closing in 2011 as originally planned.

3.7 Even if all the previous schemes had closed as originally intended, there were other assumptions underpinning the target of 14,000 contracts that were unrealistic:

- a the Welsh Government had assumed that it could increase the coverage of agri-environment schemes, from 50 per cent to 80 per cent of agricultural land in Wales, in the first year of the new scheme; and

- b the Welsh Government assumed that many of those in receipt of Tir Mynydd payments would join Glastir, even though the achievement of environmental outcomes had not been part of Tir Mynydd, and many Tir Mynydd recipients would have been unfamiliar with the requirements of an agri-environment scheme.

3.8 The Welsh Government subsequently recognised that its target to deliver 14,000 Glastir Entry contracts by January 2012 was unrealistic. In response, it reduced the target in the CMEF, committing instead to deliver 7,000 contracts by the end of 2013.

3.9 In July 2010, the Minister set a target that 3,000 hectares per year of woodland should be created on improved land, upland acid grassland and bracken slopes. The Welsh Government told us that this target was based on its view that Glastir Woodland Creation would appeal to more landholders than the previous Forestry Commission Wales woodland creation schemes. However, we could find no evidence to support the assumption that Glastir could deliver this level of participation, particularly as previous woodland planting schemes had created only 300 to 400 hectares of new woodland per annum.

3.10 The Welsh Government has not changed the CMEF targets, but they told us that, in the light of resource constraints, they have revised their own targets for Glastir Advanced. The CMEF targets agreed in July 2012 with the European Commission were predicated on signing 500 Glastir Advanced contracts by 1 January 2013. However, by the autumn of 2012 it had become clear to the Welsh Government that it did not have sufficient staff to deliver 500 contracts, and it reduced its internal target to 300 contracts.

The Welsh Government has an extensive monitoring and evaluation programme, but has yet to develop success criteria to show if Glastir is meeting its objectives

There are increasingly robust arrangements to monitor the compliance of landholders participating in Glastir with the requirements of their contracts

3.11 The Welsh Government's Rural Inspectorate Wales²⁹ monitors compliance by landholders with the requirements of contracts made under Glastir. The Welsh Government has also established an evaluation programme to determine the impacts of the scheme. This section examines its arrangements for monitoring compliance.

3.12 The Welsh Government has comprehensive administrative controls using the Land Parcel Identification and Integrated Administrative Control systems to verify the accuracy of the annual claims for payments made by landholders under Glastir. In addition, the Welsh Government told us that Rural Inspectorate Wales conducts annual on-site inspections of at least five per cent of Glastir beneficiaries and five per cent of land covered by Glastir. Selecting Glastir sites for inspection is a two stage process.

3.13 The European Commission has determined that all inspections must take place within five 'zones' in Wales measuring 20 kilometres by 15 kilometres. The Welsh Government has developed an approach to identifying these five zones. Within these five zones, the Welsh Government uses a risk-based and a random selection method to identify Glastir sites for inspection. Seventy-five per cent of the sample is chosen using the risk-based sampling method, with the remaining 25 per cent randomly selected.

²⁹ Rural Inspectorate Wales is responsible for inspecting compliance with scheme requirements for all Welsh Government Common Agricultural Policy schemes. For example, as well as inspecting a sample of Glastir contracts, it also inspects a sample of those receiving payments under the Single Payment Scheme.

Where it finds breaches to a Glastir contract, the Welsh Government both reclaims the cost of the work which has not been undertaken and applies a financial penalty. Last year, the Welsh Government inspected 155 Glastir contract holders with a total contract value of £1.22 million, found 16 contract holders who had breached aspects of their contract and imposed financial penalties of just over £18,000.

3.14 For Glastir, both the payments and the inspection regime are subject to scrutiny by Wales Audit Office staff as part of their routine audit work on behalf of the Auditor General. That work includes the audit of the annual accounts of the European Agricultural Guarantee Fund (EAGF), which funds the Single Payment Scheme, and the EAFRD, which funds Glastir and other Welsh Government rural development initiatives. For a selection of Glastir payments, known as the 'substantive sample', auditors check compliance with scheme rules and that the payment is in accordance with the claim and the contract. The sampling technique, which is applied to all beneficiaries funded under the EAGF and/or the EAFRD means that, to date, this audit work has only tested 10 Glastir payments covering the Entry, Commons, and Advanced elements of the scheme. That testing has not identified any errors of note. As the Welsh Government enters into more Glastir contracts, the number of Glastir payments tested will increase.

3.15 Due to the introduction of new European Commission regulations from 2014-15, our audit work will also include re-verification of a sample of the on-site inspections carried out by Rural Inspectorate Wales, to check that the inspection was undertaken properly and that where breaches are identified, the payment is amended. Some of the re-verifications will take place on sites covered by a Glastir contract. The inspection sample will also constitute the substantive sample, and so

for some Glastir contracts audit checks will trace from contract to on-site inspection, and through to payment. In addition, the new regulations require that our audit work will annually review the controls put in place by Rural Inspectorate Wales. Our judgement about the level of risk will then determine the number of inspections which require re-verification. In addition, the Welsh Government's inspection regime is also subject to audit by the European Court of Auditors.

The Welsh Government's evaluation programme is extensive and should be able to show the impact of Glastir on participating farms and the wider countryside

3.16 In response to recommendations on monitoring and evaluation in our 2007 report and the subsequent Audit Committee report in 2008, the Welsh Government assessed the robustness of its arrangements for monitoring and evaluating Tir Gofal and commissioned an expanded monitoring and evaluation programme covering Tir Gofal, Tir Cynnal and the Organic Farming Scheme. The expanded programme delivered against some, but not all, audit recommendations. For example, the programme does not address two recommendations that were aimed at strengthening the assessment of Tir Gofal's added value:

- a our 2007 report recommended that the Welsh Government analyses the proportion of Tir Gofal application scores accounted for by optional work, rather than mandatory prescriptions, on the grounds that optional work was more likely to reflect a change in land management practices; and
- b the 2008 Audit Committee report recommended that the Welsh Government should collate evidence on reductions in stocking rates.

- 3.17 For Glastir, the Welsh Government has further strengthened the monitoring and evaluation programme developed for the previous schemes. In September 2008, when the Welsh Government established a programme board to oversee the introduction of Glastir, it identified the development of an approach to monitoring and evaluation as a work stream within the programme, to be taken forward alongside the design of the scheme.
- 3.18 The Glastir monitoring and evaluation programme will enable the Welsh Government to assess the extent to which any of the changes observed on land included in a Glastir agreement are attributable to the scheme, rather than to other factors, by comparing results with control land outside the scheme. In addition, the Welsh Government will collect baseline data and use data sets from other sources to compare the changes observed on land covered by Glastir with changes in the wider countryside.
- 3.19 Key features of the Glastir monitoring and evaluation programme include:
- a **National monitoring of the impact of Glastir Entry**, comprising site surveys of 45 one kilometre squares of land randomly selected from across the whole of Wales. Design of the sampling strategy ensures that some of the sites selected will be within Glastir Entry, while others will not. The four-year rolling programme will provide a baseline for changes in the Welsh countryside over time, enabling the quantification of continuing change in the countryside and the impact of Glastir Entry. Sites visited in year one (2013) will be revisited in year four (2017). Sites visited in year two (2014) will be revisited in 2018.
 - b **Targeted monitoring of the impact of Glastir Advanced**. In the first two years of Glastir Advanced, the Welsh Government has prioritised the following scheme objectives: soil carbon, water quality and water quantity. The Welsh Government has identified what it believes are the most suitable areas within Wales to deliver these priorities (known as 'targeted areas'). Some of the sites selected as part of the national monitoring programme for Glastir Entry will fall within the targeted areas. However, the programme will also monitor an additional 45 one kilometre squares of land within the targeted areas, to ensure sufficient representation of scheme and control land within the targeted areas, and to allow robust statistical analysis. Like the national monitoring programme for Glastir Entry, the targeted programme for Glastir Advanced is also a four year rolling programme.
 - c **Comparability with the Countryside Survey data**. The design of both the national and the targeted monitoring programmes build on the methodologies and data from the Countryside Survey.³⁰ Data from the Countryside Survey can provide a comparison of changes observed in both Glastir Entry and Glastir Advanced with wider trends within the countryside. The survey can also help to show if, and by how much, Glastir has led to changes observed on land within the scheme.
- 3.20 As environmental gains can take time to deliver, it might be some time before many of the impacts of the scheme become evident. The Welsh Government does not expect the first indications of the impact of Glastir to become apparent until 2017, the fourth and final year of the current monitoring and evaluation programme.

³⁰ The official Countryside Survey website describes the survey as 'a unique study or 'audit' of the natural resources of the UK's countryside. The Survey has been carried out at regular intervals since 1978.

3.21 In the absence of robust evidence about the scheme's impact, the consortium commissioned to deliver the Glastir monitoring and evaluation programme (Box 3) has completed a modelling exercise to assess the anticipated effects of combining different interventions at farms. The March 2014 report from the consortium on the results of the modelling exercise stated that:

- a Some interventions which will have a large benefit on an individual farm are unlikely to deliver benefits on a national level. This is because uptake of the relevant interventions is anticipated to be low and, on a national level, the land suitable for the intervention is limited.
- b Some interventions, such as tree planting, can deliver a range of benefits for biodiversity, water quality and carbon, if suitably placed.

- c Some improvements, particularly improvements to biodiversity, will only occur over the long term (one to two decades). Consequently, the Welsh Government may need to commit to long-term funding of some interventions, if it is to see the desired impacts.

3.22 The Welsh Government told us that it is intending to use the results of the modelling exercise to inform future decisions about which options to remove from Glastir Entry, as part of its plans to simplify Glastir Entry.

Box 3: The Welsh Government has commissioned a consortium to deliver the Glastir monitoring and evaluation programme

Following a competitive tender process, the Welsh Government awarded the contract for the Glastir monitoring and evaluation programme to a consortium led by the Centre for Ecology and Hydrology (CEH),³¹ and comprising 14 other organisations. The contract is for an initial two year period, with an option for the Welsh Government to extend the contract for a further two years. The consortium is supported by a Glastir monitoring and evaluation steering group, scheduled to meet annually, which includes representatives from: the Welsh Government; Farmers' Union of Wales; National Union of Farmers; Country Landowners Association; RSPB; Confor³² and Natural Resources Wales.

The cost of the contract in the first two years is £5 million, which will be met from the European Agriculture Fund for Rural Development. The draft RDP (2014 to 2020) includes provision for £1.8 million per annum to cover the costs of the Glastir monitoring and evaluation programme.

Source: Wales Audit Office

31 As described on its website, CEH is 'a public-sector research centre ... which delivers independent research, survey, training and knowledge transfer in the environmental sciences to advance knowledge of planet Earth as a complex, interacting system'.

32 Confor is a membership body representing forestry businesses across the UK.

Judging the success of Glastir will be difficult because the Welsh Government has not yet specified how much, and by when, change is needed to achieve the scheme's key objectives

3.23 When it first announced the introduction of Glastir, the Welsh Government stated that the scheme 'will provide the delivery of targeted environmental actions in support of the delivery of biodiversity, climate change and water outputs'³³. The Welsh Government has identified the types of impact it expects Glastir to deliver. For example, it has identified that it expects Glastir to have a positive impact on the population of Black Grouse in Wales. However, the Welsh Government has not quantified the scale of the impact it expects Glastir to deliver, at either a national level or at the level of individual landholdings within the scheme. Neither has the Welsh Government quantified the anticipated contribution of the scheme to relevant targets, such as targets to reduce greenhouse gas emissions³⁴ and to halt the decline of wildlife.³⁵ It has also not set out the timescales over which it anticipates Glastir to deliver its intended objectives.

3.24 The Welsh Government told us that it is not yet able to quantify the expected impacts of Glastir on the environment, nor to quantify the expected contribution of Glastir to achieving relevant targets. The main reason is that it does not have enough robust evidence about the specific impacts of previous schemes to be able to estimate the extent of the changes attributable to Glastir. However, by not quantifying the expected impacts of the scheme:

- a It will be difficult to determine objectively whether the scheme is a success. The RSPB told us 'there is no formal definition of what

success looks like for halting biodiversity decline...[and] without establishing what 'good' looks like, it will be difficult to know if Glastir is achieving value for money'.

- b An important benchmark is lacking, against which progress can be monitored and judged, and rational adjustments to the scheme subsequently made.

3.25 Not having clear measures of success also means that the Welsh Government cannot determine the optimum balance of spending required to deliver Glastir's priorities. For example, the Welsh Government has stated that the main priorities of Glastir Advanced in 2013 and 2014 are to improve water quality, improve water management to reduce flood risk and to manage soils to help conserve carbon stocks and to reduce soil erosion. However, the majority of the funding committed to Glastir Advanced in 2013 was targeted on other objectives, which Glastir shared with Tir Gofal. For the stated priority areas for Glastir Advanced, only eight per cent of the funding committed was to improve water quality, five per cent was to improve water management and five per cent was to help conserve carbon stocks (Figure 14).

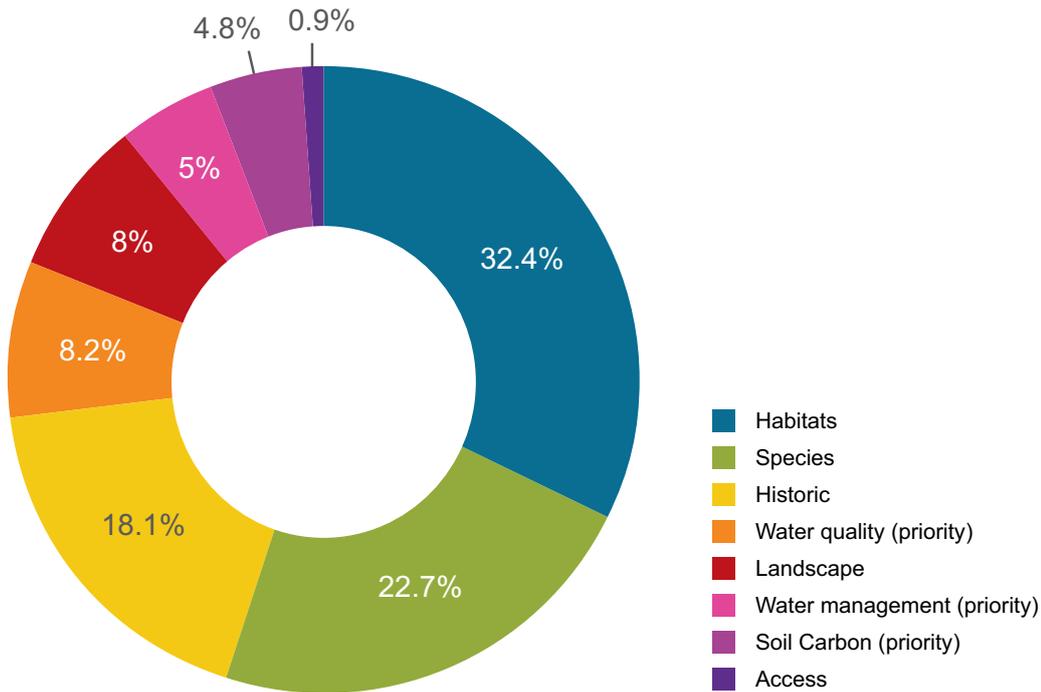
3.26 Until the Welsh Government quantifies the scale of what it wants to achieve against each of its objectives or under each element of the scheme, it will be unable to develop robust estimates of how much it will cost to deliver each of its objectives. Moreover, only when the Welsh Government confirms how much it wants to achieve through Glastir's objectives will it be able to determine the timescales for delivery, given the likely availability of resources.

33 Oral Statement, Minister for Rural Affairs, 5 May 2009.

34 The *Climate Change Strategy for Wales* commits the Welsh Government to deliver a three per cent reduction in greenhouse gas emissions from the agricultural sector, per year, from 2011.

35 For example, the *Wales Environment Strategy* committed the Welsh Government to halting the loss of biodiversity and achieving a 'definite recovery in the number, range and genetic diversity of species, including those species that need specific conditions to survive'. The Welsh Government is also committed to achieving the biodiversity targets set out in the European Commission's *Biodiversity Strategy to 2020*.

Figure 14: Glastir Advanced expenditure committed in 2013 by scheme objective



Source: Welsh Government

3.27 In its January 2014 consultation on the future of Glastir, the Welsh Government identified strategic targets for the scheme from 2015 (Box 4) and proposed to ‘outline the quantitative and qualitative outputs and indicators that will test delivery against these strategic targets by the end of the year’. However, the strategic targets themselves do not quantify the expected contribution of Glastir, and we would expect the proposed work on outputs and indicators to include quantification of the intended impacts of the scheme, as a necessary part of the framework for assessing the success of the scheme.

Box 4: The proposed strategic targets for Glastir from 2015

The Welsh Government has proposed the following strategic targets for the scheme from 2015 onwards:

- 'to increase the level of investment into measures to mitigate greenhouse gas emissions with the aim of contributing towards a reduction of net emissions from the land based sector in line with [its] international obligation;
- to increase the level of investment into measures for climate change adaptation with the aim of building greater resilience into both farm and forest businesses and the wider Welsh economy and environment to ongoing climate change;
- to increase the level of investment into measures to manage ... water resources effectively with the aim of contributing towards an improvement in water quality in Wales and to meeting [its] obligations under the Water Framework Directive;
- to focus increased resources on an identified list of priority species and habitats with the aim of contributing towards a reversal in the decline of Wales's native biodiversity and to meeting [its] obligations under the EU Biodiversity 2020 agenda³⁶;
- to put in place measures and investment which maintain and enhance the characteristic components of the landscape and historic environment of rural Wales and to encourage increased public appreciation and access to the countryside; and
- to use agri-environment investment in ways that encourages positive environmental outcomes but also contribute towards farm and forest business profitability and the wider sustainability of the rural economy'.

Source: Proposals for the Glastir scheme, part of the RDP for Wales 2014-2020, January 2014, Welsh Government

³⁶ The European Commission's website describes the EU biodiversity 2020 agenda as 'an ambitious new strategy to halt the loss of biodiversity and ecosystem services in the EU by 2020'.

Appendices

Appendix 1 - Methodology

Appendix 2 - The five elements comprising the Glastir scheme

Appendix 3 - Design features aimed at targeting local and national priorities

Appendix 4 - Performance against Glastir Targets under the Common Monitoring and Evaluation Framework



Appendix 1

Methodology

Literature review

We have examined the following relevant reviews of Glastir and its predecessor schemes, and the accompanying evidence submitted to each review by other organisations:

- *Sustaining the Land: A Review of Land Management Actions Under Axis 2 of the Rural Development Plan 2007-2013*, Welsh Government, September 2008
- *Inquiry into the Review of Axis 2 of the Wales Rural Development Plan 2007-2013*, Rural Development Sub-Committee, February 2009
- *Inquiry into Glastir*, Rural Development Sub-Committee, March 2010
- *Glastir: All Wales Element Independent Review*, Glastir Independent Review Group, March 2011
- *The Glastir Stocktake*, Welsh Government, June 2012
- *Inquiry into Glastir*, Environment and Sustainability Committee, October 2012

We have reviewed a wide range of other documents published or provided by the Welsh Government, including:

- Glastir application booklets and website material
- Glastir Advanced contract files
- Glastir contract manager guidance
- Correspondence to Tir Gofal agreement holders explaining the transition to Glastir Advanced
- Glastir Stakeholder Group minutes and papers
- Glastir Programme Board papers
- Monitoring and Evaluation Programme papers for Tir Gofal and Glastir

- Ministerial statements and written Assembly questions
- Glastir Strategic Communications Plan (2012)
- *Environment Strategy for Wales* (2006)
- *The Climate Change Strategy for Wales* (2010)
- *Rural Development Plan Annual Implementation Report* (2011)
- National Assembly for Wales' 2008 Audit Committee report on Tir Gofal

We also reviewed relevant research and material from a number of other sources, including Commons Vision, The Countryside and Community Research Institute, The Wales Rural Observatory and the European Union on the 2008 health check of the Common Agricultural Policy.

Interviews with Welsh Government officials

We interviewed the following Welsh Government officials:

- The former Head of Glastir and Tir Gofal branch
- Head of Rural Development Operations
- Head of Finance for the Rural Development Plan
- Head of Common Agricultural Policy Planning
- Glastir Programme Board Manager
- Head of Sustainable Land Management
- Scientific Evidence and Assessment Officer
- The Glastir Programme Senior Responsible Owner
- Head of Business, Accreditation, Resource and Change Management, Rural Payments Wales
- Head of IT, Rural Payments Wales

We also carried out a focus group with eight Glastir Advanced contract managers.

Interviews and correspondence with other organisations

We gathered information from interviews with other key stakeholders including: Brecon Beacons National Park Authority, CADW, Natural Resources Wales (including former Countryside Council for Wales employees and former Environment Agency Wales employees), Pembrokeshire Coast National Park Authority, RSPB Cymru, Afonydd Cymru and Snowdonia National Park Authority. We also had a small group discussion with the three senior Commons Development Officers.

We wrote to the following organisations for views on Glastir, in particular on the design, administration arrangements, and monitoring and evaluation of Glastir:

- Clywd-Powys Archaeological Trust
- Confor
- Country Land and Business Association
- Dyfed Archaeological Trust
- Farmers Union Wales
- Glamorgan-Gwent Archaeological Trust
- Gwynedd Archaeological Trust
- Hybu Cig Cymru
- Llais Y Goedwig
- National Trust Wales
- National Farmers Union Cymru
- Organic Centre Wales
- Ramblers Cymru
- RSPB Cymru

- Soil Association
- Wales Environment Link
- Wales Forest Business Partnership
- Wales Young Farmers Clubs
- Wildlife Trusts Wales

We received nine written responses and carried out two follow-up telephone interviews.

Postal survey of Tir Gofal agreement holders

We conducted a postal survey of landholders to gain their views on the improvements made under Tir Gofal and the change to Glastir. All landholders sent a survey had been Tir Gofal agreement holders whom the Welsh Government had scored highly enough to enter Glastir Advanced. We asked a range of questions on: Glastir's objectives; information sources; clarity of information; reasons for applying or not applying to Glastir; and environmental improvements through Tir Gofal. On 24 July 2013, we sent out 883 surveys. The covering letter, which accompanied the survey, asked for responses by 9 August 2013. However, we continued to receive significant numbers of responses after this date and our analysis is based on the responses we received by 16 August. In total, we received 321 responses, which is a response rate of 36 per cent.

Data and statistics

We have also examined and drawn upon various statistics provided by the Welsh Government about agri-environment scheme expenditure and uptake, including future forecasts and progress against the European Commission's CMEF targets.

Reference panel

We formed a reference panel of experts to advise us on aspects of our examination. The reference panel comprised:

- Professor Dave Chadwick (Professor in Sustainable Land Use Systems, Bangor University)
- Ms Clunie Keenleyside (Research fellow, Institute for European Environmental Policy)
- Ms Rhian Nowell-Phillips (Deputy Director Agricultural Policy, Farmers Union of Wales)
- Dr Geoffrey Radley (independent environmental consultant)
- Dr Sophie Wynne Jones (Lecturer, Aberyswyth University)
- Professor Davey Jones (Professor of Soil and Environmental Science, Bangor University)

On 8 July 2013, we met with the Wales-based panel members to discuss the early findings from our fieldwork; Ms Nowell-Phillips, Professor Chadwick and Dr Wynne Jones attended, but Professor Jones could not attend. We shared for comments a draft of the report summary with all of the panel members in February 2014.

Appendix 2

The five elements comprising the Glastir scheme

<p>Glastir Entry (previously known as the All-Wales Element)</p>	<p>The first Glastir Entry contracts began on 1 January 2012. All contracts last five years. Glastir Entry has three elements:</p> <ul style="list-style-type: none"> • A series of ‘cross compliance requirements’ which are compulsory requirements that apply to all agricultural land³⁷. • The ‘Whole farm code’, which applies to all land entered into the contract³⁸. • Management options – to reach the points threshold required to join Glastir Entry, landholders select from a range of options. Landholders can decide to choose options from what are called ‘Regional Packages’ and, by doing this, can gain additional points. <p>The Welsh Government offers a contract to all applicants that reach the pre-determined points threshold. Glastir Entry has a standard points threshold and a reduced points threshold, to encourage participation. However, those opting to join Glastir Entry through the reduced points threshold route will not be able to apply for Glastir Advanced.</p>
<p>Glastir Advanced (previously known as the Targeted Element)</p>	<p>To access Glastir Advanced, landholders must already be part of Glastir Entry. The first Glastir Advanced contracts began on 1 January 2013. All contracts last for five years. Following a landholder’s expression on interest to join Glastir Advanced, the land is scored by the Welsh Government on its potential to deliver against the outcomes the Welsh Government is seeking to achieve through Glastir Advanced.</p> <p>Subsequently, Welsh Government officials (known as contract managers) carry out on-farm visits, starting with those farms with the highest scores. For each farm visited, the contract manager will have a list of ‘objectives’ which the Welsh Government has determined apply to that farm. The landholder must agree to deliver at least one action against each objective or the Welsh Government will not offer them a Glastir Advanced contract. For example, if the land proposed for Glastir has ‘lapwing’ as an objective, the landholder will be required to do a minimum of one action for the species. For lapwing, relevant actions include: managing marshy grassland or upland pastures, creating a pond, managing ditches or growing spring sown cereals.</p>
<p>Glastir Commons</p>	<p>Glastir Commons aims to provide support for the delivery of environmental benefits on common land. Contracts last five years. The first Glastir Commons agreements began on 1 January 2012. There are two options under Glastir Commons:</p> <ul style="list-style-type: none"> • A ‘closed period’ of three continuous months between November and March when all livestock is moved off the common. • Minimum and maximum stocking densities tailored to each common, with monthly diaries kept to record the movement of stock. The stocking densities are determined using Geographical Information System (GIS) data and, where necessary, walking the common (such as where GIS does not accurately identify different grass types). <p>Once a grazing association has been within Glastir Commons for one year, it can apply to join Glastir Advanced.</p>

³⁷ Landholders do not receive payment for meeting cross-compliance requirements, as they are paid for them under the EU Single Payment Scheme.

³⁸ Strictly speaking, it is not a whole farm code, as the contract area can be different to the whole farm. To participate in the scheme the land manager needs to have control of the land for five years. Many people have shorter tenancy contracts on parts of the farm.

<p>Glastir Efficiency Grants (previously known as the Agricultural Carbon Reduction and Efficiency Scheme (ACRES))</p>	<p>Glastir Efficiency Grants is a capital grant scheme to support work in three ‘theme’ areas:</p> <ul style="list-style-type: none"> • Manure/slurry efficiency • Energy efficiency • Water efficiency <p>The Welsh Government has held two application rounds for Glastir Efficiency Grants; one in 2012 and one in 2013. To apply for Glastir Efficiency Grants, landholders need to be part of Glastir Entry. Those interested in securing a Glastir Efficiency Grant must initially submit an expression of interest. For each of the two application rounds the Welsh Government has collated and prioritised the expressions of interest. Depending on the budget available, the Welsh Government selects a number of expressions of interest for each theme, and invites those selected to submit an application. Once a potential applicant has been invited to apply for any specific theme they can, subject to a successful application, expect a Glastir Efficiency Grant contract.</p> <p>Within each of the three themes, different criteria are used to prioritise expressions of interest:</p> <ul style="list-style-type: none"> • The Welsh Government is seeking to improve water quality from its investments in manure and slurry storage. Therefore, it firstly prioritises expressions of interest from landholders who farm within areas the Welsh Government has identified as a priority for improving water quality. Within the priority areas for improving water quality, it ranks expressions of interest according to the need for increased manure and slurry storage. • Within the energy and water efficiency themes, the Welsh Government has established a framework for calculating which farms have the highest demands for energy and water. It prioritises expressions of interest from the farms with the higher demands, as it deems these farms as being best placed to achieve the greatest efficiencies.
<p>Glastir Woodland (Management and Creation)</p>	<p>Glastir Woodlands is a ‘stand-alone’ element within Glastir, as landholders do not need to be part of Glastir Entry to access funding for Glastir Woodland Creation or Management.</p> <p>Within Glastir Woodland Creation, there are three types of woodland creation grant available, and the contracts cover 10 years:</p> <ul style="list-style-type: none"> • establishment grants – for planting trees; • fencing grants; and • Woodland Creation Premium – this is a payment for loss of income, where landholders have turned productive land into less or non-productive woodland. <p>Woodland Creation officers prepare and submit an application on the landholder’s behalf. The first Woodland Creation grants began in 2010.</p> <p>The Glastir Woodland Management option provides area and capital grants for a range of activities to enhance the management of woodlands, such as thinning, restocking, pest control and vegetation management. The Welsh Government scores applicants to Glastir Woodland Management on their potential to deliver the scheme’s objectives. It then ranks these scores, and applicants with the highest scores are processed first. The first Woodland Management grants began in 2013.</p>

Source: Wales Audit Office

Appendix 3

Design features aimed at targeting local and national priorities

Scheme element	Design features aimed at targeting local and national priorities
Glastir Entry	<ul style="list-style-type: none"> • Regional Packages – For 15 regions covering the whole of Wales, the Welsh Government has identified the (flora and fauna) species of importance to that region. It has also listed the particular activities that are required to support those species. Landholders applying for a regional package can only choose options from the lists of actions which apply to the region in which their farm falls. To encourage take up of regional packages, landholders opting for a regional package receive 10 per cent more points per option, which makes it easier for them to meet the point threshold needed to join the scheme. • Protected Zones – The Welsh Government identified that some of the management options within Glastir are detrimental to the long term survival of certain important species. It therefore decided that certain management options will not be available in areas where these species are to be found. For example, Protected Zone 2 relates to the water vole and in this zone landholders do not have the option to ‘create a streamside corridor with tree planting’.
Glastir Advanced	<ul style="list-style-type: none"> • The Welsh Government has identified the priorities it wants to deliver through Glastir Advanced – these priorities are known as ‘objectives’. Examples of objectives include: arable plants; the chough and scheduled ancient monuments. • The Welsh Government has further prioritised these objectives. In the first two years of the scheme the scoring system has been designed to prioritise applications from farms most able to deliver against the following three objectives: water quality; water quantity and soil carbon. This means that applications from farms, for example, more likely to deliver benefits for soil carbon will score more highly than applications from farms less likely to deliver such benefits. The most highly scoring applications are then invited to enter into negotiations with the Welsh Government for a Glastir Advanced contract. • Glastir Advanced is designed to be sufficiently flexible to respond to changing Welsh Government objectives. In future years the weighting given to the various objectives could be changed to reflect emerging environmental priorities. • For each objective, the Welsh Government has identified the actions which it believes can best deliver that objective. • For each objective, the Welsh Government has identified where within Wales it will pay for actions to support that objective. For example, the Welsh Government has identified that it will only pay for actions to maintain and enhance habitats of importance to the chough in regions where there are known populations of the bird. This is in contrast to the way in which Tir Gofal worked. Under Tir Gofal, actions to maintain and enhance habitats of importance to the chough were available to landholders across Wales. This also means that under Glastir there is no risk that a landholder will be paid just because they have a certain habitat on their farm, which was a criticism made of Tir Gofal. For example, under Glastir, the Welsh Government will only pay for heathland, where that heathland falls in an area which it has determined as a priority area for heathland conservation. In contrast, under Tir Gofal, all heathland would have received a per hectare management payment, wherever that heathland was located. • For each application, the Welsh Government, not the applicant, determines the objectives which apply to that farm. To be offered a Glastir Advanced contract, an applicant must agree to carry out at least one action per objective.

Scheme element	Design features aimed at targeting local and national priorities
	<ul style="list-style-type: none"> The same habitat in different areas can be managed differently to deliver different outcomes. To be offered a Glastir Advanced contract, applicants in water priority areas 1 and 2³⁹ must agree to carry out all 'high' priority actions and at least 50 per cent of the 'medium' priority actions identified as required on their farm by National Resources Wales staff. (All Glastir Advanced applicants in water priority 1 and 2 areas will receive a water management plan, produced by National Resources Wales staff subsequent to an on-farm visit.
Glastir Commons	<p>This element of the scheme is targeted on what was, under the previous agri-environment schemes, a 'hard to reach group'. The Welsh Government's previous agri-environment schemes covered a very small amount of the Common land in Wales (two per cent). In response, the Welsh Government decided that there should be a specific element within Glastir targeted upon Common land.</p>
Glastir Efficiency Grants	<p>For grants to improve the use of manure/slurry, the Welsh Government prioritises applications from farms in water priority 1 and 2 areas. Farms in these priority areas will also be supported in developing their application. The scheme will fund a consultant to carry out a slurry storage report, which can be used for an application, should Natural Resources Wales staff identify the need for additional on-farm slurry storage facilities.</p>
Glastir Woodland (Management and Creation)	<ul style="list-style-type: none"> The targeting system for Glastir Woodland Management operates in a similar way to Glastir Advanced: <ul style="list-style-type: none"> The Welsh Government has identified the objectives which it wishes to deliver through the Woodland Management element of the scheme. It has identified the actions that it believes will best deliver those objectives. For each objective, the Welsh Government has identified where within Wales it will pay for actions to support that objective. For example, the Welsh Government has determined that it will only pay for actions to enhance public access in woodland areas, where such access contributes to access already provided: previously by Tir Gofal; by the National Trails; a trail centre; the great Dragon Horse Trail; within a regeneration Area or access related to the Wales Coastal Path. For each application, the Welsh Government, and not the applicant, determines the objectives which apply to that farm. The scoring system is sufficiently flexible to respond to changing priorities over time. Glastir Woodland Creation, the Welsh Government has developed maps which identify 'Strategic Creation Areas' where new woodland can be established, or where it is likely to be acceptable to plant new woodland or where it is unlikely to be acceptable.

Source: Wales Audit Office

³⁹ Priority 1 areas are defined as 'Water Framework Directive protected areas and their hydrological catchments that have a deadline for achieving their environmental objectives by 2015'. Priority 2 areas are defined as 'Water Framework Directive water bodies that have a deadline for achieving their environmental objectives by 2015'.

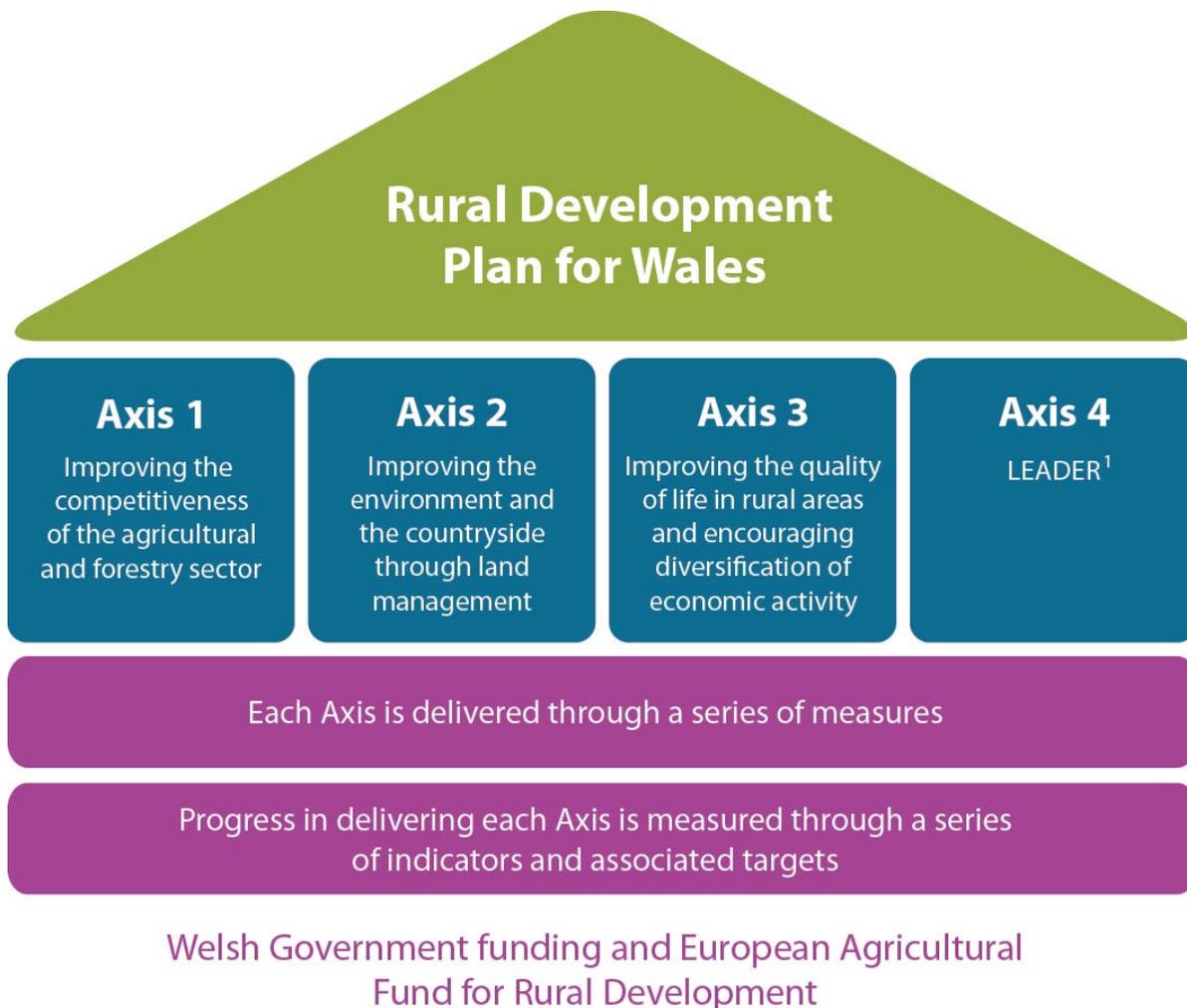
Appendix 4

Performance against Glastir Targets under the Common Monitoring and Evaluation Framework

The Common Monitoring and Evaluation Framework (CMEF)

The RDP for Wales is structured around 4 axes or themes. Glastir is predominantly, but not exclusively, funded under Axis 2: improving the environment and the countryside. Each axis is divided into a series of measures intended to support the delivery of the objective of the axis. For example, within Axis 2, Measure 214 is payments for agri-environment schemes. Progress in delivering the axes is measured through a series of indicators and targets. Delivery of the plan is funded jointly by the Welsh Government and European Union through the EAFRD (Figure 15).

Figure 15: The structure and funding of the RDP for Wales



Note

¹ 'The acronym 'LEADER' derives from the French words Liaison Entre Actions de Développement de l'Économie Rurale which means, Links between the rural economy and development actions.'

The LEADER approach seeks to achieve rural development through partnerships between the public, private and civil sectors. The core principle of the LEADER approach is 'local empowerment through local strategy development and resource allocation' (LEADER Tool-Kit, European Commission).

Source: Welsh Government

The CMEF requires the Welsh Government and the European Commission to agree a series of targets for each measure. For example, [Figure 16](#) sets out the agreed targets for Measure 214.

Figure 16: The Measure 214 targets agreed between the Welsh Government and the European Commission

Indicator	Target
Number of farm holdings and holdings of other land managers receiving support	15,734
Total area under agri-environmental support (ha)	1,169,448
Total number of contracts	16,759
Physical area under agri-environment support (ha)	1,056,423
Area (ha) under successful land management contributing to:	
Improvement to biodiversity	793,173
Improvement to water quality	923,654
Mitigating climate change	838,698
Improvement of soil quality	838,050
Avoidance of marginalisation and land abandonment	1,169,448

Source: Welsh Government

For some measures, more than one scheme will contribute to the delivery of the measure targets. For example, Better Woodlands for Wales and Glastir Woodland Creation contribute to the target for measure 221, which is ‘first afforestation of agricultural land’. In order to set a measure level target, the Welsh Government must first set targets for each of the schemes that contribute to delivering the measure. However, it is the measure level targets, and not the scheme level targets, which are formally agreed with the European Commission.

Performance against Glastir targets

Glastir is funded under a number of measures, and not solely under Measure 214. The performance of Glastir is measured using the indicators established by the European Commission for each of the Measures under which Glastir is funded. The Welsh Government uses the indicators to set targets for each element of Glastir and monitors performance against them. The targets all relate to participation in the scheme and include the number of contracts agreed; the total area of land covered; and the area of land contributing to priorities, such as improvements to biodiversity and water quality (Figure 17). The targets originally covered the period to the end of the 2007-2013 RDP on 31 December 2013. However, primarily due to a delay by European member states in agreeing a budget for the RDP for 2014-2021, in December 2013 the European Commission extended the period covered by the CMEF targets to 31 December 2014.

The Welsh Government provides a quarterly update on progress against the CMEF targets to the Rural Development Programme Monitoring Committee. The European Commission required the Welsh Government to establish a Programme Monitoring Committee to oversee the implementation of their RDP. The Committee is chaired by a Welsh Government official and its other members include academics and representatives of the farming unions, charities (such as the RSPB) and the Welsh Local Government Association represents local authorities.

The Welsh Government told us that the European Commission has not taken action where member states fail to meet their CMEF targets.

Figure 17: Performance against Glastir Targets under the CMEF, to be achieved by December 2013⁴⁰

Glastir Entry				
Indicator	Target	Performance at 31 December 2013	Share of target	Forecast performance at 31 December 2014
Number of supported holdings	7,000	2,190	31%	4,945
Total agricultural land supported (ha)	300,000	204,324	68%	418,489
Area under successful land management contributing to (ha):				
Improvement to biodiversity	300,000	60,895	20%	95,136
Improvement to water quality	240,000	69,468	29%	149,409
Mitigating climate change	150,000	43,796	29%	67,475
Improvement of soil quality	150,000	2,759	2%	4,614
Avoidance of marginalisation and land abandonment	300,000	11,463	4%	17,237

⁴⁰ Primarily due to a delay by European member states in agreeing a budget for the RDP for 2014-2021, in December 2013 the European Commission extended the period covered by the CMEF to 31 December 2014.

Glastir Advanced				
Indicator	Target	Achieved	Share of target	Forecast
Number of holdings supported under Measure 214 ⁴¹ (support for agri-environment schemes)	500	260	52%	1,910
Number of holdings supported under Measure 216 (support for non-productive investments)	500	260	52%	1,910
Total agricultural land supported (ha)	16,667	7,510	45%	55,169
Total volume of investment in non-productive investments to achieve agri-environment objectives (€)	5,400,000	4,404,628	82%	9,000,000
Number of supported forest holders	150	64	43%	888
Total volume of investment in non-productive investments, to enhance the public amenity value of forest and wooded land (€)	1,930,147	412,647	21%	2,127,578
Total volume of investment in conserving and upgrading Wales' rural heritage (€)	552,500	158,876	29%	552,500
Number of rural heritage actions supported	442	926	210%	442
Area under successful land management contributing to (ha):				
Improvement to biodiversity	14,417	4,520	31%	34,000
Improvement to water quality	9,167	987	11%	7,456
Mitigating climate change	8,500	910	11%	7,875
Improvement of soil quality	11,583	910	8%	7,875
Avoidance of marginalisation and land abandonment	16,667	6,325	38%	16,667

⁴¹ The RDP for Wales is structured around 4 axes or themes. Glastir is predominantly funded under Axis 2: improving the environment and the countryside. Each axis is divided into a series of measures intended to support the delivery of the objective of the axis. For example, measure 214 is support for agri-environment schemes.

Glastir Commons				
Indicator	Target	Achieved	Share of target	Forecast
Number of supported holdings	200	147	74%	177
Total agricultural land supported (ha)	30,000	83,600	279%	99,000
Area under successful land management contributing to (ha):				
Improvement to biodiversity	30,000	83,600	279%	99,000
Improvement to water quality	10,000	27,867	279%	33,000
Mitigating climate change	30,000	83,600	279%	99,000
Improvement of soil quality	10,000	27,867	279%	33,000
Avoidance of marginalisation and land abandonment	30,000	83,600	279%	99,000

Glastir Efficiency				
Indicator	Target	Achieved	Share of target	Forecast
Number of farm holdings supported	300	139	46%	300
Total volume of investment (€)	3,750,000	9,751,712	260%	20,815,636
Number of holdings introducing new products and/or techniques	235	139	59%	300

Glastir Woodland Creation on agricultural land				
Indicator	Target	Achieved	Share of target	Forecast
Number of beneficiaries receiving afforestation aid	405	584	144%	584
Number of ha's of afforested land	1,053	1,767	168%	1,767
Area under successful land management contributing to (ha):				
Improvement to biodiversity	1,053	1,767	168%	1,767

Glastir Woodland Creation on non-agricultural land				
Indicator	Target	Achieved	Share of target	Forecast
Number of beneficiaries receiving afforestation aid	45	57	127%	57
Number of ha's of afforested land	113	165	146%	165
Area under successful land management contributing to (ha):				
Improvement to biodiversity	113	165	146%	165

Glastir Woodland Creation Premium (an additional payment to reflect income foregone where woodland is created on previously agricultural land)				
Indicator	Target	Achieved	Share of target	Forecast
Number of beneficiaries receiving afforestation aid	405	65	16%	232
Number of ha's of afforested land	1,053	166	16%	800
Area under successful land management contributing to (ha):				
Improvement to biodiversity	1,053	166	16%	800

Support for non-productive investments through Glastir Woodland Creation				
Indicator	Target	Achieved	Share of target	Forecast
Number of supported forest holders	450	218	48%	450
Total volume of investment (€)	1,237,500	580,000	47%	1,237,500
Area under successful land management contributing to (ha):				
Improvement to biodiversity	1,053	0	0%	0

Glastir Woodland Management				
Indicator	Target	Achieved	Share of target	Forecast
Number of supported forest holders	200	16	8%	196
Total volume of investment (€)	2,573,529	64,000	2%	2,761,559
Area under successful land management contributing to (ha):				
Improvement to biodiversity	3,000	97	3%	3,000

Source: Welsh Government July-December 2013 Quarterly Report to RDP Programme Monitoring Committee