



**Isle of Man  
Government**

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# **Agricultural Drought Relief Scheme 2018**

## **Guidance and Terms and Conditions**

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## **LEGAL DISCLAIMER**

*The information contained in these guidelines is intended to assist applicants in assessing their eligibility when completing an application for financial assistance. Completion of an application does not contractually bind the Department to grant assistance. The scheme is discretionary and any decision to provide assistance for a specific application will be based on its merits.*

## **INTRODUCTION**

The Agricultural Drought Relief Scheme is intended to provide grants to eligible applicants who owned/own livestock, crops and vegetables which were affected by the exceptional weather period during 2018.

The exceptional weather period on the Island during 2018 was a wet spring followed by unusually dry weather that occurred between 1<sup>st</sup> May 2018 and 6<sup>th</sup> August 2018. It was a once in a generation weather event as it has been one of the driest periods of weather in 40 years<sup>1</sup>. The wet spring meant farmers put livestock out to pasture later than usual, causing them to use feed and bedding usually reserved for winter. The subsequent dry weather meant grass and crops struggled to grow, which has led to significantly reduced yields of crops and bedding materials. The final impacts will only become clear over the next months or even years.

The economic pressures caused by increased fodder and feed costs due to the exceptional weather period may have resulted in a reduction in the amount of livestock numbers in an attempt to mitigate potential financial losses. The support from the Scheme will assist the farmers with providing their livestock adequate nutrition and bedding, which will help them retain their herds and flocks as close to their usual numbers as possible. It will also assist the Island's crop farmers who have been financially impacted by the lower crop yields.

The Scheme is envisioned to partially compensate Manx farmers for losses in production or increased costs in operating their businesses so to assist the industry in remaining viable and investing in the future.

## **WHO CAN APPLY?**

Applications will be accepted from current and previous Agricultural Development Scheme (ADS) claimants. Any non-ADS claimants may apply but will need to ensure they are registered as an Agricultural Business with the Department.

An eligible applicant for the purposes of this Scheme must:

- (a) be a person or business that was engaged in agriculture during the exceptional weather period;
- (b) have or had livestock, crops or vegetables (or any combination of these) affected by the exceptional weather period;
- (c) meet the terms and conditions of this Scheme;

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<sup>1</sup> IOM Met. Office data indicates rainfall levels in May were around 50% below average while the rainfall levels in June were the lowest on record (since 1947) for that month. In addition, IOM Met. Office records indicate there were 33 days this summer with a temperature above 20°C, making it the third hottest summer on record.

(d) have not been subject to making a grant repayment (refer to the Recovery of Grants Section).

## **GRANT PAYMENTS**

The grant payments and their associated calculations depend on what is being applied for e.g. livestock, crops or vegetables. This will also determine how many payments the grant amount will be apportioned over. The majority of payments will be processed in just one payment but for some specified livestock the payment will be apportioned over two dates. The grant issue dates provided is the earliest date that a grant may be issued under this Scheme and the Department will endeavour to process the payments as close to this date as possible.

This section outlines where the numbers of livestock and acreages have been obtained, how the grant payments will be calculated and when they will be paid.

### **Livestock Numbers and Crop Acres Records**

#### **(a) Livestock**

The payments will be calculated using recorded livestock numbers from different sources depending on the animal, as follows:

- i. cattle herd size will be extracted from information held on the BITS cattle database at the time of calculating the grant
- ii. sheep flock size information will be obtained from the most recent agricultural census
- iii. goat herd size information will be obtained from the most recent agricultural census
- iv. pig herd size information will be obtained from the most recent agricultural census
- v. poultry flock size information will be obtained from the most recent agricultural census

If the data extracted from the BITS cattle database or the agricultural census is deemed insufficient then the Department may establish the size of a herd or flock using an alternative source.

If the Department does not hold the information for a Scheme applicant then alternative sources will be agreed with the applicant.

#### **(b) Crops and Vegetables**

The crop and vegetable acres will be extracted from applicants 2018 returns for the ADS and their most recent agricultural census.

If the Department does not hold the information for a Scheme applicant then alternative sources will be agreed with the applicant.

### **Calculating the Grant Payments**

The grants will be calculated using the following tables, however, should the total amount of grants anticipated to be paid to eligible applicants before 1<sup>st</sup> April 2019 exceed the Scheme budget, the grant rates specified in the following tables will be reduced on a pro-rata basis to ensure the total amount of grants paid to applicants does not exceed the Scheme budget.

(a) Livestock

The amount of grant payment for livestock will depend on the type of animal and the number of animals eligible for payment. Table 1 lists the amount of grant paid per head for each type of livestock and also how the payment will be apportioned over one or two grant issue dates.

**Table 1: Price per head of livestock**

<b>Livestock type</b>	<b>Price per head</b>	<b>First grant issue date*</b>	<b>First percentage of grant paid</b>	<b>Second grant issue date*</b>	<b>Second percentage of grant paid</b>
Cattle less than 6 months old	£0.00	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
Cattle more than 6 months but less than 12 months old	£20.00	1 November 2018	50%	1 March 2019	50%
Cattle more than 12 months but less than 36 months old	£25.00	1 November 2018	50%	1 March 2019	50%
Beef cows that have calved at least once	£20.00	1 November 2018	50%	1 March 2019	50%
Dairy cows that have calved at least once	£40.00	1 November 2018	50%	1 March 2019	50%
Breeding sheep	£5.00	1 November 2018	100%	<i>Not applicable</i>	<i>Not applicable</i>
Breeding goats	£5.00	1 November 2018	100%	<i>Not applicable</i>	<i>Not applicable</i>
Sows	£5.00	1 November 2018	50%	1 March 2019	50%
Pigs weighing more than 65kg (i.e. "finished pigs")	£5.00	1 November 2018	50%	1 March 2019	50%
Laying hens	£2.00	1 November 2018	50%	1 March 2019	50%

*\*the grant issue date is the earliest date that a grant may be issued.*

Eligible livestock clarification:

- Cattle more than 12 months
  - Cattle over 12 months of age excluding cattle that have calved at least once
- Beef cow
  - All female Beef animals that have calved at least once
- Dairy cow
  - All Dairy bred female that have calved at least once resident on a Dairy holding
- Breeding sheep
  - All sheep that have lambed during the 2018 season and all breeding tups
- Breeding goats
  - All goats that have produced a kid during the season

- Sows
  - All sows that have produced a litter during the 2018 season
- Pigs
  - All pigs that have been processed by Isle of Man Meat Company limited during the relevant period (1<sup>st</sup> April – 30<sup>th</sup> September or 1<sup>st</sup> October – 31<sup>st</sup> March)
- Laying hens
  - Hens that were resident on a registered poultry premises (food business register) during the relevant census

(b) Crops

The amount of grant payment for crops depends on the type of crop and the number of acres of that crop. Table 2 shows the amount of grant that will be paid on one acre for each crop and the grant issue date for crops will be 1<sup>st</sup> March 2019.

**Table 2: Price per crop acre**

Crop type	Maximum price per acre*
Winter wheat	£10.00
Spring wheat	£40.00
Winter barley	£10.00
Spring barley	£30.00
Oats	£30.00
Peas and beans for combining	£60.00
Oil seed rape	£10.00
Maize	£0.00
Fodder beet	£0.00
Forage rape	£0.00
Other forage crops	£0.00
Cereal forage crops	£0.00
Other crops for combining	£0.00

\*The price per acre of crops may be reduced if the average market price for wheat during the current year (1<sup>st</sup> April 2018 until 31<sup>st</sup> March 2019) exceeds the reference price calculated for the 12 months (1<sup>st</sup> April 2017 until 31<sup>st</sup> March 2018) prior to the exceptional weather period.

This reference price is the average of the monthly LIFFE wheat future prices for a tonne of wheat, as published by the AHDB from the previous 12 month period (1<sup>st</sup> April 2017 until 31<sup>st</sup> March 2018) plus 50%. This has been calculated to be £212.34.

Should the average price of wheat on 1<sup>st</sup> March 2019 be lower than the baseline price, the Scheme applicants will receive the maximum price per acre for each crop. If the average price of wheat exceeds the baseline price, then the price per acre of each crop is determined by reducing the maximum price per acre by the number of pounds the average price exceeds the baseline price.

**For example:** If the average price of wheat is calculated to be £216.34 on 1<sup>st</sup> March 2019, then the price per acre for each crop will be as follows:

Winter wheat	£6.00
Spring wheat	£36.00
Winter barley	£6.00
Spring barley	£26.00
Oats	£26.00
Peas and beans for combining	£56.00
Oil seed rape	£6.00

(c) Vegetables

The amount of grant payment for vegetables and potatoes depends on the price per acre and the number of acres. Table 3 shows the amount of grant that will be paid on one acre for both vegetable and potatoes and the grant issue date for them will be 1st November 2018.

**Table 3: Price per vegetable acre**

Vegetable type	Price per acre
Potatoes	£300.00
Vegetables	£300.00

## APPLICATION PROCESS

All current applicants of the ADS will automatically receive an application to this Scheme. The required information held by the Department (e.g. numbers of livestock and the number of crop and vegetable acres) will be pre populated on the form. Should a claimant wish to apply to the Scheme, they will be required to confirm the accuracy of this information, amend if incorrect, sign and return to the Department. If the applicant considers the pre populated to be incorrect, they will be required to provide documentation which supports their claim. The changes thus made will be subject to verification, which will be discussed with the applicant and may be in the form of an on farm inspection.

For those who are not a current ADS applicant, the application form will be made available on the Government website through this link: [www.gov.im/droughtreliefscheme](http://www.gov.im/droughtreliefscheme)

These application forms will be blank, the applicant will need to fill in the required information, sign and return to the Department with any relevant supporting documentation. The information provided will be subject to verification by the Department, which will be discussed with the applicant and may be in the form of an on farm inspection.

### Examples of Supporting Documentation

#### Livestock

- Cattle movement book
- Sheep and goat movement and record book
- Pig movement book
- Eggs – registered as a food business

#### Crops and Vegetables

- Crop record book

## TERMS AND CONDITIONS

Once an application has been received the applicant must check the prepopulated information, providing any revised data if required. Once the data is deemed to be correct the applicant must sign and return the application, which includes the terms and conditions, to the Department. The offer of financial assistance must be accepted and returned by the applicant within the defined application period.

By signing the application form you are declaring your agreement to the full terms and conditions of the Scheme.

## **RECOVERY OF GRANTS**

If the Department determines that the conditions set out under this Scheme have not been adhered to, the Terms and Conditions have not been met or that false, incomplete or misleading information has been supplied in connection with an application, it must issue the applicant with a notice. The Department will inform the applicant that, subject to review and appeal the applicant is required to repay the Department all grants made under this Scheme within 28 days of the Department issuing the notice.

## **RIGHT OF APPEAL**

1. A person may, within 28 days of the date of notification of a decision under this Scheme, request in writing that the Department review the decision, stating the grounds on which the review is requested.
2. In the first instance, the application shall be reviewed by an officer of the Department who has had no involvement in the original application; this is known as a Stage 1 appeal.
3. Stage 1 appeal decisions are to be made and notified to the applicant within 30 days of the date the review request was received.
4. Following notification of the outcome of the review, if an applicant considers that the grounds for appeal have not been addressed, he or she may apply in writing to the Department requesting that the matter be referred to the Appeals Committee ("the Committee"). This is known as a Stage 2 appeal.
5. A stage 2 appeal shall be heard and a recommendation made by the Committee within 90 days from the date a request for a Stage 2 appeal is received.
6. Applicants may opt to have either a written or oral Stage 2 appeal.
7. In the case of a written appeal, the appeal request document and all other relevant paperwork, including the review paperwork, shall be considered by the Committee in advance of the meeting without the appellant present.
8. In the case of an oral appeal the appellant shall receive all the paperwork which is to be considered by the Committee in advance of the appeal hearing and he or she will be invited to attend part of the meeting.
9. During the oral hearing the appellant shall be extended the opportunity to present his or her case and respond to the Committee's questions. Appellants may be accompanied and may wish to appoint someone to represent them.
10. Once the appeal hearing is complete, the appellant and anyone accompanying him or her shall leave the meeting and the Committee shall deliberate on the matter.
11. The Committee must send a recommendation to the Minister of the Department for consideration and final decision. The Minister must make the decision within 28 days from receipt of the Committee's recommendation, however, where an appeal is particularly complex, a further period of consideration may be required and the appellant shall be notified of this in writing.
12. The Department shall provide the appellant with written notification of the Minister's decision within 28 days of the date of the decision being made.
13. For the purposes of this Scheme, the Committee shall be convened by the Department as required and shall consist of an industry representative, a Department



representative who has not been involved in the original decision or the review and an independent person who has appropriate knowledge of the subject area.

14. The Department shall seek nominees to the Committee and maintain a list of those nominees along with a reference to their particular area of expertise. This list shall be available for inspection upon request.
15. The Committee when dealing with a Stage 2 appeal must —
  - (a) work within the parameters of the Scheme;
  - (b) not award compensation; and
  - (c) make objective and evidenced recommendations in line with the Scheme specifications.

## **COSTS OF AN APPEAL**

1. An application for a Stage 2 appeal shall incur a cost of £300, payable when the appeal is submitted.
2. Any charge for an appeal under paragraph (1) shall be refunded where that appeal is successful.