



**PUBLICATION, DOCUMENT** 

# Integrated Natural Resources Scheme: rules booklet

Explains the scheme and eligibility requirements.

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#### Introduction

We are committed to supporting farmers to produce food in a sustainable way, whilst taking action to respond to the climate emergency and to help reverse the decline in biodiversity. Funding support for farmers, land managers and associated rural sectors is delivered through a flexible framework of support under the Sustainable Land Management (SLM) Objectives set out in The Agriculture (Wales) Act 2023 ('the Agriculture Act'):

- to produce food in a sustainable manner
- · to mitigate and adapt to climate change
- to maintain and enhance the resilience of ecosystems and the benefits they provide, and
- to conserve and enhance the countryside and cultural resources and promote public access to and engagement with them, and to sustain the Welsh language and promote and facilitate its use

Further information on schemes being developed is available at the **Rural Affairs Wales**.

These guidance notes explain the Integrated Natural Resources Scheme (INRS) and the kind of projects which may be eligible for support. Please read it carefully. If you then consider your plans may be eligible for support under this scheme, please see 'How to Apply' at section C and the **How to Complete** booklet.

#### **Section A: introduction**

The INRS has been developed to build capacity and capability for collaborative action, enabling farmers, foresters, land managers and others to work together at a landscape, catchment, or pan Wales level.

Whilst the scheme is separate from the Sustainable Farming Scheme, it will be used to inform the collaborative element of this scheme during this interim period.

This scheme forms part of a preparatory phase of activities which may lead to collaborative projects ready to participate in the collaboration layer of the Sustainable Farming Scheme.

The scheme will provide funding for implementing nature-based solutions at the appropriate scale, targeting action and interventions to enhance and sustainably manage our natural resources. This could be through enhancing our carbon-rich soils such as peatlands, creating and managing woodland, implementing natural flood risk management, enhancing access and public engagement, protecting landscape and historic features. Delivering actions to enhance priority and semi natural habitats, improving the connectivity, scale, adaptability, or diversity of semi natural habitats and our natural features, ensuring ecosystem resilience. Strengthening the resilience of Wales' network of protected sites by working at a landscape scale to improve connectivity and condition.

The scheme embeds the principles of the **Sustainable Management of Natural Resources: guide** to support collaborative landscape-scale projects delivering

action that improves our natural resources in a way that delivers to farm and rural businesses, rural communities, and wider social benefits. It will also support and facilitate co-ordination with other schemes to undertake the vital action needed to improve the resilience of farm and rural businesses, and rural communities to help address the climate and nature emergency.

The scheme will fund targeted and prioritised action on the ground, through multiyear agreements, which have wide ranging and ambitious interventions across continuous landscapes to deliver against our main objectives:

- respond to the biodiversity and climate emergency
- inform the development of future potential windows and/or schemes, and
- to support increased collaboration & partnership working between farmers, other land managers and wider organisations

The scheme therefore seeks to enable the development of groups and to identify land or continuous landscapes to be brought together to deliver the aims of the project. Land does not have to be directly adjoining; a continuous landscape can be defined by its nature or status and/or linked through integrated ecosystems, habitats or natural features.

Projects will be required to identify the focus or theme for the project. This focus must be related to a national or local challenge or challenges. These may be national challenges included in our **Natural resources policy** or current **Programme for Government**'s Climate Change and Green Economy commitments namely to maximise the protective power of nature through farming, and expand arrangements to create or significantly enhance green

spaces. Projects may also deliver against national tree planting targets, 30x30, global biodiversity targets or defined local environmental issues and challenges informed by the Area statements (on Natural Resources Wales). Projects will be required to link that focus to the objectives and outcomes in this guidance, ensuring the right action in the right place.

As a scheme aimed at supporting the agricultural industry, INRS will also be required to work towards the Sustainable Land Management (SLM) objectives as part of the Agriculture (Wales) Act 2023.

Projects must demonstrate and evidence within their applications for development funding, how they can contribute to at least 4 of the 18 outcomes listed below:

- · improving air quality
- improving water quality
- maintaining and enhancing the resilience of ecosystems and the benefits they provide
- improving biodiversity and connectivity to protected sites across a landscape and/or non-adjacent habitats (for example in relation to a section 7 species)
- Invasive Non Native Species management and removal across a landscape, regional or national level
- climate adaption
- · maximising resource efficiency
- · mitigating flood and drought risks
- conserving and enhancing landscapes (priority and semi-natural habitats)
   and the historic environment
- helping rural communities to thrive and strengthening links between

agricultural businesses and their communities

- sustaining the Welsh language and promoting and facilitating its use
- maximising carbon sequestration and storage
- reducing emissions of greenhouse gases
- · achieving and promoting high standards of animal health and welfare
- encouraging the production of food in an environmentally sustainable manner
- · improving the resilience of agricultural businesses
- maintaining and enhancing public access to and engagement with the countryside and the historic environment
- encouraging agricultural business to manage energy effectively (by adopting energy efficiency and energy saving practises and generating renewable energy on their land)

Projects will score highly if they demonstrate and evidence it will have a lasting positive impact for environmental, social, cultural, and economic well-being.

A project focus can be a local or national priority such as a nature-based solution, increasing renewable energy, or resource efficiency. It may take a place-based approach and have several landscapes across Wales linked by the priority. Examples of a projects in a continuous landscape could be:

- several neighbouring farms working together with organisations to target action on a main river catchment
- several farms or areas within the buffer of a protected site or designated area
- adjoining farms in our coastal areas
- · adjoining farms within large upland unenclosed areas e.g. commons

- a group of neighbouring farmers managing lowland farmland to support breeding and nesting habitats for priority species, or
- several landscapes of different farm types but all linked through a priority needing strategic planning at scale: for example, tackling local or national challenges related to animal health, access, invasive non-native species or strategic tree planting at scale

Projects should be ambitious with proposals for innovative trials or pilot activity linked to the scheme objectives, the landscape, or its challenges running alongside traditional sustainable land management activities. We anticipate projects will be well-placed to secure private investment to complement public funding.

Alongside the direct land management interventions, projects are encouraged, if relevant to the focus of the project and the scheme objectives, to propose plans to access sector support, knowledge transfer and training, and to explore wider opportunities for holdings participating in the projects, for example:

- training in new on-farm technologies, including recycling and renewable green energy technologies
- identifying diversification opportunities covering timber, horticulture and agriculture
- training and skills development, including traditional land management practices with heritage and/or cultural value
- bench marking, reporting and working towards net zero, or
- accessing other industry support as a collaborative group

Projects should, through collaborative working, facilitate, plan and coordinate

activity at scale; and will be encouraged to link with other initiatives if relevant to their landscape. If applicable, proposing activities across individual farms to further support the INRS projects' objectives and deliver wider outcomes and benefits to farm businesses. Sign posting to Welsh Government and other support, such as complementary grants and initiatives for individual farm businesses which lead to delivering the aims and focus for the landscape and wider outcomes and benefits.

# Section B: scheme phases

The application process for the INRS is in two phases, project development and project delivery.

- firstly, new or existing groups or partnerships can submit an application, outlining the project proposals and apply for the INRS project development grant
- successful applications will receive project development grant funding along with the guidance on project delivery criteria, to support the development of an Integrated Natural Resources (INR) project delivery plan
- once the project delivery plan and claim have been submitted the project development phase will end
- on submission of the project delivery plan to Rural Payments Wales via RPW Online, the plans will be verified, assessed and scored against the published project delivery criteria

Those successful at this stage will go forward to be considered for

the INRS project delivery grant, subject to project agreement and budget availability.

#### Project development phase

The indicative budget allocation for the INRS project development phase application window is £500,000. This window will run from 22 August 2024 to 27 September 2024.

Grants are available for between £10,000 and £30,000 based on the hourly rate and up to 10% of that for consumables, events and stakeholder engagement. This support is to develop a detailed INRS project delivery plan which will form the basis of the application for the INRS project delivery grant, if successful.

Grants will provide successful applicants with revenue support in the form of a standard cost hourly rate of £23.41 to facilitate a project delivery plan. The grant can be used to fund an agent or contractor or to enable individuals or organisations from the group to use their time to develop a detailed project delivery plan.

Applications for the project development phase grant will need to identify an initial project outline, including details of:

- the lead individual or group, its governance arrangements (proposed where the group is new), proposed structure and an outline of its ability to manage a project of the proposed scope and scale
- the initial collaboration and its members and any future plans for

engagement

- the national or local challenge for the area and to identify the main focus for the project
- the land or landscape to be included, if applicable or the geographical area of the collaboration, and
- the potential impact of the proposed actions and interventions, linking those to desired outcomes and benefits. These will be the subject to further development in alignment with the Sustainable Land Management objectives and indicators provided at the development stage

The project development phase application will be assessed against the set criteria as detailed in the **Integrated Natural Resources Scheme: project development grant**.

Successful applicants at project development phase will complete an INRS project delivery plan on RPW Online. Guidance on how to complete the INRS project delivery plan and details of the evidence that will be required will be available with the project development grant funding approval letter.

The project development phase grant will support successful projects to build on the initial project outline to develop a credible INRS project delivery plan, which will include detail on:

- the planning of interventions, actions and management across connected landscapes or catchment areas
- connecting those interventions to national/local challenges within that landscape and identifying a focus to drive the activity and meet the desired outcomes set out in this scheme literature

- engaging local stakeholders and communities and building partnerships and collaboration between farmers and other land managers, where applicable
- obtaining or planning relevant statutory consents and permissions (on Natural Resources Wales)
- putting in place suitable governance arrangements
- creating a detailed plan for capturing baseline data, monitoring and project evaluation
- where applicable to provisionally agree other funding arrangements, including engaging and securing private investment and negotiating terms, and
- risk assessments, value for money, mitigation planning and timescales

The project delivery plan must demonstrate value for money by delivering significant outputs directly linked to a main focus for the proposed project, and show collaborative and partnership working, the short, medium and long-term consequences of actions, outline the multiple benefits of managing our natural resources sustainably ensuring ecosystem resilience leading to outcomes in line with this scheme literature.

Projects' development plans are expected to outline an up to 3-year project for delivery (subject to budget availability).

Details on how to apply for the Development Phase can be found at:

- Integrated Natural Resources Scheme: project development grant
- Integrated Natural Resources Scheme: using RPW Online to apply

#### Project delivery phase

Grants for the INRS project delivery phase will be available for between £250,000 and £1,000,000 to support the delivery of the project activities.

Submitted INRS project delivery plans will be assessed against the guidance and scoring criteria which projects will receive if successful in securing the development grant. They will also be assessed on the strategic fit against the requirements of the scheme outlined in this document.

Projects will be appraised using the evidence in the project delivery plan and if they meet the minimum criteria for approval, subject to budget, applicants will be offered INRS project delivery grant funding in merit order.

# Approved delivery phase projects

The project delivery phase may include activities which are eligible under other existing Welsh Government schemes, provided they are not already being funded by the existing schemes or programmes - with the exception of woodland creation and peatland restoration. These activities will be referred to the relevant schemes under a cooperative process. Any additional INRS funded actions, where relevant, will then run in parallel. Activities may also be eligible if the activity is over and above the requirements of an existing contract or grant award.

An INRS project cannot receive funding for activities or works which are already

being grant funded through other schemes or programmes delivered for or on behalf of the Welsh Government or any other funding providers.

Any applications or claims made for activities which would be eligible under existing Welsh Government schemes will be subject to the eligibility, funding rates and terms and conditions of those schemes.

Projects will be reviewed at regular intervals throughout the duration of the delivery phase, to ensure they are delivering on schedule, within budget, are delivering the expected actions and outputs, and are offering good value for money. If projects are identified as not delivering effectively, then project grant funding will be at risk. Projects will also be reviewed to assess any impact on project activities from potential regulatory or scheme changes.

## Woodland creation plans

If the approved project includes the planting of woodland, projects must submit, an application to the Woodland Planning Scheme to have their Woodland Planting proposal assessed by Natural Resources Wales (NRW). If approved, the planting would be approved to be undertaken as part of the Woodland Creation Planting Scheme for the following 5 years. Full Scheme Guidance can be found at Woodland Creation Planning Scheme: rules booklet

#### **Peatland**

Peatlands cover only 3 - 4% of Wales yet store in the region of 30% of all soil

carbon. Peatlands in good condition regulate water flow by slowing and storing water in winter and releasing it in drier spells over the summer; they reduce wildfire risk; capture and store carbon; and support a range of important habitats and species. Peatlands form at 1mm per year so a 1m depth of peat represents over a thousand years of carbon storage.

The National Peatland Action Programme (NPAP) provides a structure to coordinate, monitor and report on peatland restoration and condition for Wales. **National Peatlands Action Programme (on Natural Resources Wales)**.

An application to the INRS which contains peatland restoration must align its proposals with the NPAP priority themes and terms and conditions. Approved projects must apply to NPAP and the peatland restoration element will form part of that scheme.

For projects which will include actions requiring Woodland Creation or NPAP support, there will be information transfer between schemes at the application stage to reduce the overhead to an INRS applicant utilising multiple schemes. Successful applicants at the end of the development phase will be made aware of these details.

#### **Advance payments**

Payments are normally made in arrears (i.e. after the grant recipient has incurred the expenditure); however, it is recognised that some Third Sector organisations do not hold large reserves and do not have the resources

available to undertake work and receive payment afterwards. Therefore, provision of funding for committed expenditure may be considered in advance of payment, but only where evidence of need is clearly established.

# **Section C: scheme Eligibility**

## **Group eligibility**

The INRS is open to new and existing groups and partnerships who want to come together to deliver landscape, catchment or national scale projects supporting the objectives and outcomes detailed in this guidance.

Collaborative groups must involve a minimum of 2 farm businesses who must be undertaking agricultural activities. In addition to the 2 farm businesses, a minimum of one other individual or organisation must form part of the collaboration. This may include other farmers, land managers, landowners or foresters with management control of land within a landscape or a public body; environmental Non-Government Organisations; local authorities, charities, trusts, private investors, businesses or another supporting organisations.

Agricultural Activity is defined as:

- the production, rearing or growing of agricultural products including harvesting, milking, breeding animals and keeping animals for farming purposes
- maintaining an agricultural area in a state which makes it suitable for grazing

- or cultivation without preparatory action going beyond usual agricultural methods and machineries. In Wales, this means the control of non-native invasive weeds and scrub
- carrying out a minimum activity on agricultural areas naturally kept in a state suitable for grazing or cultivation. In Wales, agricultural areas naturally kept in a state suitable for grazing or cultivation are defined as areas of saltmarsh and sand dunes. The minimum activity required is that the area is grazed to a minimum average annual stocking density of 0.01 to 0.05 livestock units per hectare, or the control of non-native invasive weeds and scrub

The following can apply for INRS project development grant funding:

- a lead applicant can apply on behalf of a collaboration or group
- new and existing groups or partnerships who have formed a legal entity and governance structure
- a facilitator or contractor working on behalf of a group

The lead applicant or group must be registered with RPW and have been issued with a Customer Reference Number (CRN). **Details for registering with RPW can be found here.** 

The applicant for the INRS delivery grant funding must be a legal entity with the required governance structures and financial compliance required to manage grant funding.

If the group has no formal structure and is being supported by a lead organisation an internal agreement must be established as part of development of the INRS project delivery plan, signed by all the parties to the application.

#### This should:

- specify the expression of agreement to proceed
- set out intentions of will and obligations, and
- define the role and responsibilities placed on each person, persons or organisation within the group

A copy of this internal agreement must be submitted with the INRS project delivery plan in the project delivery phase.

#### Land eligibility

All land must be in Wales.

The 2 farm businesses must have their land registered with RPW.

All land types will be eligible for proposed action, including land inside or outside protected and designated areas, common land and shared grazing.

Land can be under a variety of management arrangements or current use – including agriculture and forestry. This can include land managed solely for environmental benefit provided it is within a wider project area encompassing the agricultural landscape. For example, an SSSI ancient woodland within a catchment scale project.

Land which is under an existing Agri-environment scheme, or any other agreement/grant award or is intended to be in the future, is eligible to be part of

a collaborative project, however, any activities or management proposed must be over and above the requirements in those existing agreements/grant awards.

If the project or any proposed activity within an application has the potential to impact, a protected site you must ensure that you have the relevant, consents, permissions, and licences for example an SSSI. You can check if land includes or is next to a protected site at **Find protected areas of land and sea (on Natural Resources Wales).** The proposed activity and type of designation will determine who to contact and what consents or permissions are required. If the project proposals are on designated land, you are required to submit evidence of engagement or correspondence with NRW within your application.

All land proposed for the scheme must be under the management control of collaborating partners. Collaborating partners must have full management control and security of tenure of the land within your application for the full period of the proposals (including any durability or maintenance requirements). If you do not have full control of the land, you must get the written consent of all other parties who have management control of the land for and include evidence of approval with your application or have a countersignature to the application from the landowner(s) / landlord or relevant body.

Where the project may include land occupied by one or more tenant farmers, evidence should be provided that shows those tenant farmers have been willingly included in the collaboration and decision-making process without non-consensual changes to their tenancy rights or agreements.

#### Common land

For common land applications, the landowner must be part of/or provide consent to the INRS agreement.

Common land is eligible under the INRS, applications for activity on common land must be supported by the written consent of the landowner for any actions which differ from the registered rights over the area of common land in question. The application must also clearly identify which actions require formal consent under the Commons Act 2006 or other relevant legislation together with those actions which do not. If formal consent is required, the applicant should identify which consent is required and the likely timescale to achieve the necessary permissions.

Applications on common land which do not include all parties with a legal interest over any part of the area of the application must clearly set out in the application how the objectives and outcomes of the proposal with be achieved and not compromised by not having all those with a legal interest involved.

## Section D: eligible activities

INRS delivery grant will provide revenue and capital funding directly linked to project activities. This also includes ongoing seasonal activities to bed in and establish any improvements. Any activities carried out should be aligned to existing schemes requirements, and could include:

- · tree planting and the establishment of active woodland management
- · restoring and creating hedgerows
- invasive Non-Native Species (INNS) removal and eradication
- natural flood risk management (NFRM) interventions
- enhancing and creating wetland through re-wetting measures and supporting ponds, lakes, reed beds and fens
- enhancing and creating riparian habitat and in-river restoration
- enhancing upland and unenclosed habitat & peatland
- · enhancing and creating lowland habitat
- enhancing and creating diverse grassland increasing diversity within improved grassland and introducing multi species leys, restoring traditional hay meadows, creating wild bird, wildlife and pollinator strips and plots
- traditional boundary restoration, stone walls, earth banks and slate fences
- improving access to the countryside through upgrading/enhancing public paths, open access land and green spaces
- targeted measures to support the recovery and reintroduction of particular wildlife species, Environment (Wales) Act 2016 – Section 7 Lists of Habitats & Species of Principle Importance to Wales such as creating and establishing nesting and feeding habitat; including unavoidable predatory controls to support those species as part of the wider landscapes scale actions
- targeted measures to improve water quality and soil health reducing agricultural pollution, minimising use of pesticides and herbicides through integrated pest and nutrient management

Alongside the land management activities, The INRS can:

· develop clusters of farmers and land managers and support those

- collaborations to enable action and facilitate support networks and links with other initiatives if relevant to their landscape
- enable groups to access and participate in training, skills development, and innovation not freely available elsewhere. To build capacity for farmers through their partnerships and projects, providing access to support and opportunities across the private sector such as financial, business, and ecological and across a range of areas such as skills, food and supply chain and diversification opportunities. These must be linked to their project activities, for example training in new on farm technologies, including recycling and renewable green energy technologies, soil health and agricultural pollution, sustainable grazing, and nature friendly farming techniques
- ensure good governance and project management is available to successfully manage large landscape scale projects and to provide groups with the cost of skills development and capacity building
- support the co-ordination of activities that deliver for the project and scheme objectives on individual farms, accessing existing grants available to individual farmers to improve energy efficiency, explore diversification and to reduce agricultural pollution, complementing the INRS projects activities
- provide the targeting and co-ordination of the enhancement of priority and high value semi-natural habitats, managed by individual farmers within an INRS project. On completion of the enhancement of the habitats, farmers would be encouraged to join SFS to bring that habitat into active management through individual farm business agreements
- provide support for projects to secure private investment to complement public funding
- provide capital and revenue support for pilot or experimental work directly

- linked to the focus of the project; and meeting the objectives identified in the scheme literature
- support for collaborative pilot projects for the development of new products, practices, processes, methodologies and technologies in the agriculture and forestry sectors linked to sustainable land management

# Section E: eligible costs

All costs must be directly linked to project activities which support the aims and focus of the project. Where Welsh Government has a standard cost for an activity/item as part of current schemes, and if that activity is being delivered on individually owned or managed land, the INRS project will be offered those standard costs. Standard costs, where available, will be applied for most actions and interventions on individual holdings.

Bespoke activity for environmental benefit and interventions which are primarily delivering public goods and where a standard cost is not available will require you to obtain quotes for work (following competitive tendering and public procurement rules) on an actual cost basis. This will be up to 100% funded on a cost incurred basis, where it is directly linked to environmental gain and not linked to private commercial gain or primary production.

Capital items or machinery directly linked to project activities may be eligible if the project can demonstrate they contribute to the focus of the project, leading to significant outcomes and offer good value for money. These will be reviewed on a project-by-project basis and if deemed eligible a contribution to those costs may be made on that basis. High-cost capital items or machinery linked to primary production or commercial activity are not eligible.

Facilitation and implementation: costs for people, including associated costs such as travel and subsistence. This can include the costs incurred by businesses or organisations for establishment and subsequent delivery of the collaborative activities.

Mentoring: costs for people who can provide specialised support to organisations and groups to help them develop their own skills and expertise within the context of project activities.

Training: costs to support collaborations and partnerships to undertake training that cannot be provided through any other route.

Communication and dissemination: costs to support the communication of the proposed project activities which support the aims and focus of the project; dissemination of information amongst the external stakeholder communities; ongoing communication within and between groups and final dissemination of the outcomes of collaborative projects.

Evaluation: the cost of having an independent, external evaluation of the project is eligible. A key outcome of the INRS is to learn lessons and record experiences of the participants that have been engaged to help to shape future programmes and projects linked to the INRS objectives. An evaluation must be costed and included as part of all delivery phase projects plans. All reporting is to be provided to Welsh Government on completion.

Professional fees, consultant's fees, technical costs, ecological and hydrological site surveys and fees related to environmental and economic sustainability; planning application fees and costs; fees incurred for statutory permissions, licences and consents are also eligible.

Support may also be given for the development and research, technical advice and feasibility studies directly linked to project activities that support the aims and focus of the project and the scheme objectives; and the development of techniques and methods which are essentially adaptations of existing technologies to situations where they are not currently used but directly deliver for project and scheme outcomes.

Please note: Any habitat and woodland that is created or enhanced under INRS will be eligible under the Sustainable Farming Scheme and will count towards the Universal requirements for habitat and woodland. Farmers who have carried out appropriate works to support habitat or have increased their on-farm tree cover as part of an INRS project can benefit through SFS. There is no disadvantage to them.

# **Section F: double funding**

An approved INRS project delivery cannot receive funding for activities or works that are currently being funded by other schemes or programmes unless the INRS activity or management is over and above the existing requirement.

A project cannot receive funding for like for like replacements of previously

funded activities/items unless it's a continuation of management or further enhancement or restoration of those activities and was not a requirement of the original grant to do so.

Land within an INRS project proposal may be part of and include other programmes or schemes that enhance or complement the project outcomes, but separation must be clearly defined identifying which activities are funded through each programme scheme and any activities or management must be over and above the requirements of the existing contracts.

Match funding applies to third party funding only and does not include any contribution of your own funds to the project. If your project includes your own funds and/or any match funding, you must describe what this is and attach details including value, terms and source(s) of match funding with your full application at Project Delivery Phase.

# Section G: ineligible costs

#### Ineligible activities

There are a number of activities and investments that are not eligible for funding under INRS

- investment in the primary production of agricultural or timber products
- habitat management payments as set out in current or legacy schemes will not be payable under INRS, and

 any physical work or any other expenditure incurred before the project start date without prior written approval from Welsh Government

The following items are examples of activities, which are not eligible for grant support. This is not a definitive list, and all items will be considered on a case-by-case basis:

- the purchase of land
- the purchase of livestock
- the purchase of buildings
- the purchase of high value machinery and other capital assets not directly linked to environmental outcomes or and the focus for the project or direct project activities
- the purchase of cars, vans, motorcycles, bicycles and any other form of personal transport (for whatever purpose)
- the purchase of vehicles for external transportation (such as lorries, buses, vans, minibuses, or any other kind of vehicle used to transport goods or people)
- temporary works not directly related to the execution of the project
- support for activities that can be delivered through other mechanisms outside Welsh Government schemes, such as existing arrangements for sectoral development
- · maintenance costs for existing buildings, plant or equipment
- like for like replacement items
- costs connected with a leasing contract such as the lessor's margin, interest financing costs, overheads and insurance charges
- costs of arranging loans, VAT and other taxes recoverable by the beneficiary, administrative and staff costs or compensation paid to third

parties for expropriation, etc

- overheads allocated or apportioned at rates materially in excess of rates for similar costs incurred by other comparable delivery mechanisms
- notional expenditure
- · payments for activity of a political nature
- · depreciation, amortisation and impairment of assets
- · provisions
- · contingent liabilities
- contingencies
- · dividends to shareholders
- interest charges
- service charges arising on finance leases, hire purchase and credit arrangements;
- costs resulting from the deferral of payments to creditors
- · costs involved in winding up a commercial company
- · payments for unfunded pensions
- · compensation for loss of office
- bad debts arising from loans to employees, proprietors, partners, directors, guarantors, shareholders or a person connected with any of these
- · payments for gifts and donations
- personal entertainments (including alcohol)
- · statutory fines and penalties
- statutory taxes (excluding irrecoverable VAT)
- · criminal fines and damages
- legal expenses in respect of litigation
- reclaimable VAT
- computer software and apps for hosting of systems for general business

- management / accounts / marketing and promotion / websites / online sales
- support for activities that can be delivered through other mechanisms outside Welsh Government rural development and transitional schemes, such as existing arrangements for sectoral development
- support for the supply chain co-ordination of fisheries and aquaculture products are not eligible under this scheme, and
- high-cost capital items or machinery linked to primary production or commercial activity

# Section H: competitive tendering and procurement

Where you are applying to fund an item or activity for which there is no equivalent standard cost, you will need to follow our Competitive tendering and public procurement rules and obtain quotes for the work on an actual cost basis.

Our guidance and requirements for Competitive Tendering are available at **Rural grants: competitive tendering guidance**.

# Section I: general scheme requirements

Applicants will be required to demonstrate that they meet the following scheme requirements at the project delivery phase:

- any works carried out on land managed and/or owned must go beyond legal obligations and requirements
- projects must demonstrate they cannot proceed without support and that the project would not proceed without grant assistance
- projects must demonstrate the costs are not excessive for the nature of the activity involved
- projects must agree performance indicator targets at project delivery plan stage and demonstrate how they will monitor and what evidence will be provided
- projects must demonstrate legal compliance and financial viability
- projects must demonstrate long term sustainability
- projects must demonstrate support and show commitment to all collaborators
- projects must demonstrate they have good governance and project management
- projects must demonstrate that the amount of grant being asked for is the minimum gap funding necessary for the project to go ahead
- project applications must outline planning permission has been sought or obtained, where required all other consents, licences and permissions have been granted
- key staff must be recruited through fair and open competition
- compliance with minimum standards and legislative requirements regarding the environment, hygiene, animal welfare and health and safety standards; where appropriate and/or necessary
- projects must confirm that none of the items covered by the application are replacements under an insurance claim
- projects must provide confirmation that no other public funding has been

- sought for proposed activities
- any publicity given to the project must refer to the part played by Welsh Government in funding it

# Section J: changes to scheme rules

# Legislation changes (Including changes in interpretation)

Legislation may change from time to time, and you will be required to abide by any changes to the scheme rules following notification from the Welsh Government.

#### Changes to scheme rules or contract

We may need to make changes to the scheme rules and/or your contract. For example, we may need to update the management conditions to take account of the latest scientific advice, amend scheme rules to take account of any changes. We will publicise changes on **our website** and where necessary contact you directly.

# Section K: controls, monitoring and record keeping

#### **Controls**

The Welsh Government must enforce the INRS rules.

Your claim may be selected for a visit to verify the realisation of the investment before the payment is made to you or it may be selected for a visit after the payment has been made.

All the details in your application, the details in your claim and the declarations that you made in submitting the application and claim will be checked.

We and the specialist control bodies will try to ensure that visits cause you the minimum of disruption, but some checks require visits to be unannounced, which means it may not be possible to give you notice. You may be subject to more than one visit during a calendar year.

If you refuse to allow a visit or obstruct an officer or fail to give reasonable assistance, your claim may not be paid, we may recover payments and you may be prosecuted.

It will be a requirement and condition of grant that the progress of your project is base lined, monitored and its impact evaluated following completion against the objectives and targets set out in the approved application, the costs associated with this are eligible. You will be asked to provide regular updates on the progress of the project by submitting regular progress reports reporting against key performance indicators and outcomes outlined in your project delivery plan.

## **Key learnings for Welsh Government**

Activity within this scheme will also support the development of processes, methodologies and approaches to inform the continuing development of a collaborative element of the Sustainable Farming Scheme, including gathering more evidence about the effectiveness of interventions at both a farm and landscape management scale.

Key members of the collaborations will be required to engage with Welsh Government and our representatives at the start of project delivery. Welsh Government and our representatives will be monitoring and evaluating how projects have implemented baselining and how they have captured the current condition of the landscape and work with projects to support a consistent approach to monitoring, baselining and assessing impact to evaluate effectively.

Welsh Government and our representatives will, offer peer to peer learning and create a network of INRS collaborative groups to share knowledge and to support the development of networks and to provide recommendations in the support of future programmes.

#### Monitoring and evaluation

As a scheme aimed at supporting the agricultural industry, INRS will also be required to work towards the Sustainable Land Management (SLM) objectives and as part of the Agriculture (Wales) Act 2023.

It will be a requirement of the grant offer letter that items purchased with the aid of a grant must be kept in situ, operational and in good repair, and used for the same purpose as set out in the original application, for at least five years from the date of completion of the project as set out in the contract. This is to ensure the longevity of the project and to guarantee primary producers a lasting share of the project's benefits.

You must allow officials from Welsh Government, or their representatives, to inspect the items purchased within this five-year period. Site visits will be made on a percentage of the projects approved within five years following final completion (grant offer letter end date)

You must also cooperate with Welsh Government's appointed scheme evaluators.

#### **Record keeping**

You must keep all records and information you need to evidence that you have provided complete and accurate information and have complied with your undertakings for seven years after the project end date as stated in your

contract.

You will also be required to:

- supply to us any information about your INRS project within the period determined by the us
- make available to us, our authorised persons or our agents, records, accounts, receipts and other information including access to computer data relating to your INRS project
- permit us to remove any such document or record to take copies or extracts from them

# Section L: appeals and complaints procedure

You may request an internal review of a decision taken at the project development phase, including a decision taken to reject your application for project development funding.

You may also request an internal review of a decision taken in relation to your application for funding for the project delivery phase, including a decision taken to reject your application for project delivery grant funding.

Your objections, including supporting evidence, must be submitted within 60 days of the letter outlining the decision you wish to be reviewed. This should be submitted in writing via your RPW Online account.

Officials will review and make a final decision and notify you together with the

reasons for that decision.

Once you have accepted a grant offer for the project delivery phase, appeals concerning a Welsh Government decision will be considered under the 'Independent Appeals Process for Rural Grants and Payments'.

The appeals process consists of two stages:

- stage 1: review by RPW officials
- stage 2: review by an Independent Appeals Panel (if you are dissatisfied with the stage 1 response)

The Independent Panel make recommendations to the Welsh Minister, who take the final decision, which concludes the process.

There is no charge for Stage 1 of the process, but there is a charge at Stage 2 – £50 for a written hearing or £100 for an oral hearing. These charges are repaid in full if the Stage 2 appeal is either partially or fully successful.

Appeals, including supporting evidence, must be received within 60 days of the date of the letter outlining the decision you wish to appeal against.

Further details of the appeals process and how to submit an appeal using the RPW Online appeal form, can be obtained from the RPW Customer Contact Centre or our website at: **Rural Grants and Payments appeals: guidance**.

## **Complaints procedure**

Complaints will be dealt with under our procedure on Complaints. Further advice on how to make a complaint can be obtained from the Complaints Advice Team:

Welsh Government Crown Buildings Cathays Park Cardiff CF10 3NQ

Tel: 03000 251378

E-mail: complaints@gov.wales

Website: Complain about Welsh Government

Rydym yn croesawu galwadau'n Gymraeg / We welcome calls in Welsh.

You may also choose to contact the Public Services Ombudsman for Wales:

1 Ffordd yr Hen Gae Pencoed CF35 5LJ

Tel: 0300 790 0203

Website: Ombudsman

# Section M: privacy notice: Welsh Government grants

We provide a wide range of grant schemes to help deliver our policies and create a fairer, more prosperous Wales.

We will be data controller for any personal data you provide in relation to your grant application or request for grant funding. The information will be processed as part of our public task (i.e. exercising our official authority to undertake the core role and functions of the Welsh Government) and will help us assess your eligibility for funding.

Before we provide grant funding to you, we undertake checks for the purposes of preventing fraud and money laundering, and to verify your identity. These checks may require us to process personal data about you to third party fraud prevention agencies.

If we, or a fraud prevention agency, determine that you pose a fraud or money laundering risk, we may refuse to provide the grant funding you applied for, or we may stop providing existing grant funding to you.

A record of any fraud or money laundering risk will be retained by the fraud prevention agencies, and may result in others refusing to provide services, financing or employment to you.

To assess eligibility, we may also need to share personal information relating to your application with:

- Natural Resources Wales
- · Animal and Plant Health Agency
- Veterinary Medicine Directorate
- Welsh Local Authorities
- Food Standards Agency Wales
- DEFRA
- · other UK Government Agriculture Offices
- regulatory authorities, such as HM Revenue and Customs, Local Authorities, Health and Safety Executive and the Police

We may also share your information with organisations which deliver training, knowledge transfer and innovation advice and support on behalf of the Welsh Government for the purposes of appropriate targeting of support.

Your information, including your personal information, may be the subject of a request by another member of the public. When responding to such requests the Welsh Government may be required to release information, including your personal information, to fulfil its obligations under the Freedom of Information Act 2000, the Environmental Information Act 2004 or the Data Protection Act 2018.

We will publish details of the amounts paid to Rural Support beneficiaries. Data will be published for all beneficiaries and will include the name and locality of the farmer/land manager and details of the amounts and schemes for which grant funding has been paid. However, for those receiving less than the equivalent of £1,250 in grant funding the name will be withheld. The data will be published annually on 31 May and remain available for two years from the date it is published.

We will keep personal information contained in files in line with our retention policy. If successful in your application, then your personal data will be kept for 10 years after the date of final payment. If you are unsuccessful your details will be kept for one year after the date you provided them.

Under the data protection legislation, you have the right:

- to access the personal data we hold on you
- · to require us to rectify inaccuracies in that data
- to (in certain circumstances) object to or restrict processing
- for (in certain circumstances) your data to be 'erased', and
- to lodge a complaint with the Information Commissioner's Office (ICO) who is the independent regulator for data protection

For further details about the information Welsh Government holds and its use, or if you want to exercise your rights under the GDPR, please see contact details below:

Data Protection Officer
Welsh Government
Cathays Park
Cardiff
CF10 3NO

Email: dataprotectionofficer@gov.wales

The contact details for the Information Commissioner's Office are:

2nd Floor,

Churchill House Churchill Way Cardiff CF10 2HH

Telephone: 0330 414 6421

Website: https://ico.org.uk/

Should you have any queries regarding this privacy statement please contact the RPW Customer Contact Centre.

Rural grants and payments: privacy notice

# **Section N: legislation**

The INRS delivers against a range of Government commitments and objectives, these are listed below along with the legislation and governance that applies.

The INRS is governed by assimilated law, previously known as Retained EU Law (REUL) Council Regulations No. 1305/2013, 1303/2013 and 1306/2013, Implementing Regulation No. 808/2014 and No. 809/2014 and Delegated Regulation 640/2014 and 807/2014 (all as amended from time to time).

 the assimilated Law is implemented in Wales through the following domestic law (all as amended from time to time), including by the Agricultural Support (Miscellaneous Amendments) (Wales) (EU Exit) Regulations 2021/400 (W.129)

 the Rural Development Programmes (Wales) Regulations 2014/3222 (W.327); and the Common Agricultural Policy (Integrated Administration and Control System and Enforcement and Cross Compliance) (Wales) Regulations 2014/3223 (W.328)

Funding support for farmers, land managers and associated rural sectors respond to four Welsh Government strategic objectives which are:

- fostering the competitiveness of agriculture
- contributing towards the sustainable management of natural resources as set out in Part 1 of the Environment (Wales) Act 2016
- · ensuring climate resilience, and
- achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment

## **World Trade Organisation and subsidy control**

Subsidies provided under this scheme are considered to be payments under an environmental programme, which fall within the scope of Annex II of the WTO Agreement on Agriculture (AoA) and have been classified as 'green box'. There is the potential for innovative or novel project proposals to require equipment or resources that fall outside this scope. Where it is deemed essential for the project, the items and actions may be subject to individual subsidy control agreements and will be defined in the project agreement.

## **Section O: contacts**

#### **Enquiries – Customer Contact Centre**

For all enquiries, please contact the RPW Customer Contact Centre

Enquiries can be submitted via RPW Online at any time.

# Access to Welsh Government offices for people with disabilities or special needs

If you have any special needs which you feel are not met by our facilities contact the RPW Customer Contact Centre on 0300 062 5004. Welsh Government officials will then endeavour to make arrangements to accommodate your requirements.

#### **Welsh Government Website**

For all the latest Agricultural and Rural Affairs information, visit the **our website**. By visiting the website, you can also sign up to receive the Rural Affairs e-newsletter which delivers the latest news directly to your e-mail inbox.

#### **Gwlad**

The Gwlad e-newsletter is the Welsh Government's e-newsletter for farm and forestry businesses and all those involved with agriculture and rural Wales. It contains news stories, guidance and information in an accessible, easy-to-read format. To keep informed and up to date with all the latest agriculture news and developments in future we would encourage you to sign up to receive the Gwlad e-newsletter. You can do this either at **Announcements** or at **Subscribe to farming and forestry news (Gwlad)**.

This document may not be fully accessible.

For more information refer to our accessibility statement.