

Schedule 2

# STEPS

## Severn Trent Environmental Protection Scheme



**Term and Conditions 2018**

## Terms and conditions

Severn Trent Water has prepared this document to ensure that farmers are aware of the requirements and conditions attached to the payments concerned, and to assist in completing applications for STEPS. All applications to join the scheme accept that he/she is familiar with the Terms and Conditions outlined in this document and will comply fully with them. If applicants have any queries in relation to their application please contact [farming4water@severntrent.co.uk](mailto:farming4water@severntrent.co.uk) before submitting their application.

In the event that there are any changes to these Terms and Conditions they will be published immediately on the Severn Trent Water website and an updated version of the document available for download.

## 1.0 Key facts

- Grants will only be available to farmers and landowners who farm within a Severn Trent Water drinking water abstraction catchment and/or farm within one of STW 'priority source protection zones' (SPZs). Please contact your local STW Agricultural Advisor (contact info at end of handbook) or you can email the Severn Trent Catchment Team at [farming4water@severntrent.co.uk](mailto:farming4water@severntrent.co.uk).
- STEPS will pay the fixed grant price offered in this scheme, up to a maximum of £5000.
- Participation in this scheme is voluntary.
- A scoring system has been devised to ensure that funding will go to projects that demonstrate a clear water quality benefit, provide good value for money and where there has been prior engagement with the STW Agricultural Advisor. The highest scoring application will receive priority funding. Not all applications will be successful.
- All work must comply with relevant environmental legislation and have the appropriate planning permissions.
- All work must comply with the relevant health and safety legislation. Please visit the HSE website [www.hse.gov.uk](http://www.hse.gov.uk) for further information.
- All work must comply with all British Standards and Codes of Agricultural Good Practice.
- Before commitment to any work, you may have to seek guidance from the Environment Agency e.g. installation of a biobed on your farm holding.
- Work on capital investment items must not commence until notification of STEPS contract has been issued.
- All actions must be delivered on leased or owned land. Where land is leased this must be for a minimum of 5 years from the date of your STEPS contract.
- Applicants must ensure that the area, unit or item entered for the scheme is suitable for the action to be carried out.
- Invoices, receipts and photos for work carried out must be retained for a minimum of 5 years from the date of your STEPS contract.

## 2.0 Definitions

For the purpose of this scheme

- “STW” shall mean Severn Trent
- “STEPS” shall mean Severn Trent Environmental Protection Scheme
- “SPZ” shall mean Source protection Zone
- “Specification” shall mean the detailed requirements drawn up by STW for the delivery of each particular capital item/scheme under STEPS
- “Objective” shall mean a specific action required to be completed in association with a particular scheme
- “Farm” or “Holding” shall mean all the production units that are under the control of the applicant farmer/land owner
- “Farming Activity” shall mean dairy farming; livestock production; cultivation of fodder and tillage crops, and the growing of horticultural crops
- “Eligibility” shall mean essential criteria which must be fulfilled to allow a STEPS contract to be agreed
- “Application” shall mean an application for a STEPS support scheme prepared and submitted by land owner/manager
- “Watercourse” shall mean all rivers, streams, ditches, drains, cuts, culverts, dykes, sluices, and passages through which water flows
- “EA” shall mean Environment Agency
- “SGZ” shall mean Safe Guard Zones
- “IBCs” shall mean Intermediate Bulk Containers
- “FYM” shall mean Farm Yard Manure
- “NGR” shall mean National Grid Reference
- “EFA” shall mean Ecological Focus Area

### 3.0 Objective of scheme

- Protect our watercourses and the wider environment from pollution of agricultural origin
- Assist farm businesses to tackle diffuse pollution from agriculture with low cost infrastructure investments which are above and beyond good agricultural practice

### 4.0 Eligibility

- Grants will only be available to farmers and landowners who farm within a Severn Trent Water drinking water abstraction catchment and/or farm within one of ST 'priority source protection zones' (SPZs). Please contact your local STW Agricultural Advisor (contact info at end of handbook) or you can email the Severn Trent Catchment Team at [farming4water@severntrent.co.uk](mailto:farming4water@severntrent.co.uk).
- Size of farm (arable farms must be a minimum size of 5 hectares. Grassland farms must have a minimum size of 3 hectares).
- You must display a minimum level of farming activity.
- You must be aged eighteen years or over on the date you submit your application.
- **IMPORTANT: If your Farm is also eligible for one of the Severn Trent Metaldehyde schemes (Farmers as Producers of Clean Water or Product Substitution), you must also agree to participate in the relevant Metaldehyde scheme in order to be considered for a STEPS grant. Please discuss this with your local Agricultural Advisor.**

### 5.0 Application procedure

- All applications are made on an individual basis and will be assessed by an internal assessment ST team.

Applicants will be required to supply the following information as part of their application

- Brief description of the farm enterprise
  - An overview of the work planned and environmental reason for undertaking this work
  - Timescales for completion of the project
  - Photographs of site prior to commencing infrastructural work
  - Farm maps which display farm boundary and site location of scheme(s) chosen.
  - Dated quotes for items applied for under Farmer innovation.
- Severn Trent's Agricultural Advisors will be available to support with the application process but are not responsible for the submission of application form.
  - Applicants cannot apply for grants for an item where they are receiving funding from another source for that same item. Any evidence of "double funding" will result in the cancellation of your agreement and withdrawal of any potential funds given. Where funding has already been released, we will take the necessary action to recoup funds.

- A scoring system has been devised to ensure that funding will go to projects that demonstrate a clear water quality benefit, provide good value for money and where there has been prior engagement with the STW Agricultural Advisor. The highest scoring application will receive priority funding. Not all applications will be successful.
- All applications will however be contacted regarding the success of their application.
- STW may reject applications if they are not likely to benefit water quality and/or biodiversity.
- The submission of a valid application does not guarantee entry to STEPS.
- Successful applicants will be notified in writing of their acceptance into the scheme and of the commencement date of their contract.
- Application forms can be submitted via post or email. Applications submitted via email will receive a confirmation email.
- Only one application can be made for each farm business. If there are multiple farm businesses, the catchment advisor will determine if they are separate businesses.
- Written consent(s) from a relevant authority may be required with your application. You must enclose a copy of it with your application or in some cases, and with permission from Severn Trent Water, advice and consent can be received up until 15 days after the application date; applicants can discuss this with their local STW Agricultural Adviser. STW won't be able to process your application until we receive these

## 6.0 Responsibility of applicant

- It is the responsibility of the applicant to familiarise themselves with the STEPS Terms and Conditions, the Objectives and the Specification directly linked with a particular scheme
- Planning permission may be required depending on the Capital scheme chosen. Consult your local planning authority or National Park authority to seek informal advice.
- Any capital items you install must comply with the relevant British Standards (BS).
- Items installed under scheme must have a minimum design life of 10 years; or have a minimum design life of 20 years if they're covered by [The Water Resources \(Control of Pollution\) \(Silage, Slurry, and Agricultural Fuel Oil\) \(England\) Regulations 2010 \(as amended 2013\) \(SSAFO\)](#).
- Capital items must be installed in accordance with *Protecting our Water, Soil and Air: a Code of Good Agricultural Practice for farmers, growers and land managers* (CoGap).
- All works must comply with relevant environmental legislation associated with the scheme.
- It is the responsibility of the applicant to ensure that any work carried out under a STEPS agreement complies with the relevant health and safety legislation. The Health and Safety Executive (HSE) may need to be notified of some construction work. In all cases you have a duty to ensure that the construction works are designed and carried out with due regard to the health and safety of all operatives.
- Entering the scheme by any fraudulent means by the applicant may render to disqualify from scheme and such persons may be liable to prosecution.
- If your work affects any of the following you will need consent from the Environment Agency or from the relevant authority;

- National Park
  - Listed Building
  - Scheduled Monument
  - Protected Species
  - National Nature Reserve
  - Site of Special Scientific Interest
  - Registered Parkland
  - Local Nature Reserves
  - Registered Battlefields
- Any work carried out near the top of a river bank may require flood defence consent. Depending on the size of watercourse you should consult the Environment Agency (Tel:03708506506 or email [enquiries@environment-agency.gov.uk](mailto:enquiries@environment-agency.gov.uk)). Once offered a grant, applicants can't change their capital works, or amend their agreement unless given permission by Severn Trent Water.
  - Once the scheme is complete it must be kept in agricultural use e.g. not changed to an alternative use such as residential or commercial accommodation, for a minimum of 5 years from the date of your STEPS contract.

## 7.0 Responsibility of STW

- Assess applications in an unbiased manner using the specified scoring system
- Provide 1-1 support through our catchment advisors
- Respond to queries within 20 working days via our catchment team inbox email – [farming4water@severntrent.co.uk](mailto:farming4water@severntrent.co.uk)
- Provide adequate notice of any inspection
- Keep all farm and financial information confidential. This does not however effect our duty to report any breaches in cross compliance to Environment Agency.

## 8.0 Monitoring & evaluation

- On-the-spot checks may be carried out at farm level to ensure compliance with the requirements of the Scheme.
- All applications for support and payment claims will be subjected to administrative checks, and any other controls deemed necessary, before approvals or payments are made under the Scheme.
- Contracts are non-transferable except in the case of:
  - Certified serious illness of applicant
  - Death of the applicant
  - Long term professional incapacity of the participant
- Any breach of cross-compliance noted during an on farm inspection may reported to the Environment Agency.

- You must inform STW of any change to a selected scheme and a written reason displaying your actions. You will then receive a letter of approval. If you change the location of the STEPS capital item and not inform STW you may be liable to a penalty.
- You will not be entitled to funds to meet the costs of any maintenance or normal wear and tear.
- All records must be kept for 5 years following entry into the scheme. Records include invoices, receipts, permits, maps, photos and consents.

## 9.0 Payment procedure

- Receipts or invoices for materials purchased for the delivery of STEPS must be retained and must be made available to STW when requested. Participants must be in a position to provide documentary evidence of payment. Receipts must be made out by the vendor to include the name and address of the beneficiary. Receipts must be dated and any materials purchased before entry to STEPS will not be accepted.
- Photographs of site must be taken and retained both before and after completion of work. (Please take both photos from same position).
- The maximum payment to any participant in STEPS shall not exceed £5,000 in respect of a STEPS calendar year. This includes the option for constructing complete pesticide handling facilities.
- It is the applicant's responsibility to ensure that any requested supporting documentation for the release of payments is submitted.
- Applicants accept that on-the-spot inspections may be required before payment can be authorised.
- It is the applicant's responsibility to understand that if they decide to participate in, and benefit from, a number of different EU funded or National Schemes also addressing agricultural pollution, that payments are at risk if it becomes known that they represent double funding.
- Double funding is defined as grant money used to fund the same capital works at the same location. As a guide, the following schemes should be considered (this list is not exhaustive):
  - Environmental Stewardship
  - Countryside Stewardship
  - Paths4Communities
  - Farming and Forestry Improvement Scheme
  - Fresh Fruit and Vegetable Aid
- Woodland Grant schemes; or Energy crops In relation to your claim, all paperwork must be kept for 5 years after the start of your agreement.
- VAT will not be paid if you are VAT registered. If you are not VAT registered, your VAT can be included in the total costs provided it does not exceed the £5000 threshold.



## 10.0 Force majeure

- Where an applicant is unable to continue within STEPS commitment(s) due to reasons beyond his/her control, a case may be made under force majeure. The following categories of force majeure will be recognised:
  - Death of the participant
  - Long term professional incapacity of the participant
  - Expropriation of a large part of the holding if such expropriation could not have been anticipated before joining STEPS
  - A natural disaster affecting the holding's agricultural land
  - The accidental destruction of livestock buildings on the farm e.g. destruction of property via a fire
  - An outbreak of disease affecting all or part of the livestock on the farm
  - The disposal or vacation of land to satisfy a court order or legal settlement in cases of marital breakdown.

## 11.0 Breach of agreement

This may result in the non-payment or recovery of some or the entire grant payable or already paid. Note that applicants are responsible for the work carried (even if work was contracted to an external contractor).

The following are classed as breaches of agreement:

- Refusal to allow STW Agricultural Advisor access to the land for inspection on reasonable notice
- Providing false or misleading information
- Submission of a claim for capital works that are not completed or where funds have been used for an alternative purpose
- Lack of evidence of how the funds were spent or of the finished work e.g. photos
- Removal of any capital works without written consent from STW
- Change of use of a capital item, e.g. roofing over a manure storage to turn it into a grain or machinery storage (even when at the applicant's own expense)
- Failure to comply with the appropriate standards, planning rules and agricultural codes of practice.
- You are found to not meet the essential criteria around location and level of farming activity
- Missed deadlines.