An Roinn Coimirce Sóisialaí
Department of Social Protection

Technical Review of the Farm Assist Scheme

October 2021

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1. Overview

This report outlines a technical review conducted in 2021 by the Department of Social Protection (DSP) of its Farm Assist Scheme which provides support to farmers on low incomes.

The Terms of Reference for the Review are as follows:

- Review current means assessment model
- Review current earnings disregards model
- Propose new models if warranted
- Examine the number of claimants and provide a statistical breakdown of claimants
- Adopt a solution focussed approach and provide recommendations to ensure the appropriate level of support is provided by DSP to low income farmers

The Review makes a number of recommendations which are contained in Section 9 below.

The Department of Agriculture, Food and Marine (DAFM) was consulted in the course of the Review and made a submission containing a number of recommendations. The full submission is contained in Appendix 2.

2. Policy Context

This review of the Farm Assist Scheme has been completed in line with commitments under the current Programme for Government[1] and in the Our Rural Future, Rural development Policy 2021 – 2025[2].

The commitment in the **Programme for Government** is to:

"Conduct a review of the means test disregards for Farm Assist, with a view to better rewarding farmers who avail of the Scheme for their enterprise. Measures such as Farm Assist and the Rural Social Scheme are important supports for low-income farmers."

The Department of Agriculture, Food and Marine was consulted in the course of the Review. The full submission is available in Appendix 2 and its recommendations can be summarised as following:

- Include a number of additional schemes in the list of schemes designed to yield environmental benefit to which an income disregard applies for the Farm Assist means assessment.

- DAFM to work with the DSP to identify schemes included in the CAP Strategic Plan 2022-2027 which will yield environmental benefits and which will be included in the

[1] **Programme for Government – Our Shared Future. https://www.gov.ie/en/publication/7e05d-programme-for-government-our-shared-future/**

[2] Our Rural Future - Rural development Policy 2021 – 2025 Available here: **https://www.gov.ie/en/publication/4c236-our-rural-future-vision-and-policy-context/**

list of schemes for which a disregard is applied in the means test for the Farm Assist Scheme.

Climate/Environmental targets - Ireland's Climate Action Bill 2021 has set Ireland on a legally binding path to net-zero emissions by 2050 and to a 51% reduction in emissions by the 2030. As the largest sectoral contributor to climate emissions agriculture will have an important role in achieving these targets. This is reflected in Food Vision 2030, the new 10-year strategy for the Irish agri-food sector which includes the mission of a Climate Smart, Environmentally Sustainable Agri-Food Sector. Environmental and climate ambition is also a focus of the new Common Agriculture Policy 2023-2027 with the new "Green Architecture operating across both Pillar 1 Eco-Schemes and Pillar 2 climate/environmental and animal welfare related interventions. Farmers will have a pivotal role in delivering these policy objectives and it is important that they are supported in achieving these important societal goals.

Pathways to Work - The national employment strategy, Pathways to Work 2021-2025, seeks to address the challenges brought about by the COVID-19 pandemic and to promote better labour market outcomes for all in society by supporting those unemployed before the pandemic, those looking to return to work or join the workforce and those facing additional barriers to work.

Under this Strategy, Government has committed to bring forward detailed proposals on the development of a basic income guarantee. The Department has committed to pilot a Working Age Payment/Basic Income Guarantee in the Arts Sector during 2022. Arising from this a Working Paper will be prepared for consultation on how it will be possible to develop a Basic Income Guarantee. The Department will be progressing these commitments in the coming months.

3. Context – Farm Incomes in Ireland

According to the National Farm Survey Report published by Teagasc in July 2021[3] the farm population in Ireland is 93,342. Some 34% of farms recorded in this survey are classed as economically viable i.e. Family Farm Income (FFI)[4] is sufficient to remunerate family labour at the minimum wage and provide a 5% return on the capital invested in non-land assets. A further 34% of farms are considered sustainable due to the presence of an off-farm income[5] while 33% are classified as vulnerable with no such alternative income.

Across Irish farms there are considerable variances in Family Farm Income, the return from farming for family farm labour, land and capital. While Dairy farms are currently the most profitable at on average €74,326 in 2020 this contrasts sharply with other sectors such as Cattle Rearing with an average income of €9,037 and Sheep farms with an average income

[3]Teagasc National Farm Survey 2020 - 2021 - National Farm Survey 2020 - Teagasc | Agriculture and Food Development Authority

[4] Family Farm Income (FFI) is defined in the Teagasc report as being gross output less total net expenses; it represents the total return to the family labour, management and capital investment in the farm business.

[5] In comparison, this is approximately double the proportion of Farm Assist recipients who are engaged in off-farm employment. See Section 8 of this report.

of €18,383. For many Drystock farms (Beef and Sheep) market income is less than zero. In these sectors, on average farms do not make a profit from production and are heavily dependent on financial support including through direct payments. [6]

4. Description of Scheme

The Farm Assist scheme is a statutory social assistance scheme which provides support for farmers on low incomes. It has similarities to the Jobseeker's Allowance scheme, and recipients retain the advantages of that scheme such as the retention of secondary benefits and access to activation programmes.

A person can qualify if they are aged 18 to 66, engaged in farming. The scheme is subject to a means test. Farmers can earn income from self-employment, insured employment, capital etc. The means test takes account of virtually every form of income but assesses it in different ways and disregards various amounts.

5. Farm Assist Scheme Cost

The 2021 Revised Estimates for the Department provide for expenditure of €66.7 million on the Farm Assist scheme. Expenditure on the scheme fell from €113.72 million in 2011 to €66.41 million in 2020 largely due to a fall in the number of claimants (see Section 6 below for further detail).

Table 1 - Farm Assist Expenditure and Recipients, 2011-2020

Year	Expenditure (€m)	Recipients
2011	€ 113.72	11,246
2012	€ 108.17	11,029
2013	€ 99.18	10,303
2014	€ 93.63	9,809
2015	€ 88.49	8,790
2016	€ 78.83	7,828
2017	€ 78.18	7,234
2018	€ 73.82	6,535
2019	€ 68.57	5,971
2020	€ 66.41	5,511

[6] Ibid., pg 29.

6. Recipient Profile

There were 5,184 Farm Assist social welfare claims on record as per end June 2021. Table 1 above shows recipient trends in recent years.

Farm Assist claims represent 5.6% of the number of farms in Ireland, as per the Teagasc 2020 Farm Survey[7] (this is approximate as both partners on a farm could qualify for Farm Assist for example).

Farm Assist supplements small farms, mainly in the west of Ireland - over 59% of claims are made in Donegal, Mayo, Galway, Kerry and Cork (and this proportion has increased since 2011).

Table 2 - Top 5 Counties with most Farm Assist Claims

	2021		2019		2011	
County	**No of recipients**	**% of total**	**No of recipients**	**% of total**	**No of recipients**	**% of total**
Donegal	936	18.1%	1,045	17.5%	1,491	13.2%
Mayo	843	16.3%	994	16.6%	1,869	16.5%
Galway	499	9.6%	574	9.6%	1,137	10.0%
Kerry	430	8.3%	484	8.1%	819	7.2%
Cork	359	6.9%	435	7.3%	957	8.4%
National Total	**5,184**		**5,971**		**11,333**	
% of top 5 counties out of total claims		**59.2%**		**59.2%**		**55.4%**

In terms of the age profile of Farm Assist claimants 46% of claimants are aged 55 years and over, 63% are aged 50 years and over and 30% are aged 60 years and over. In comparison, fewer than 10% of Jobseeker's Allowance claimants are aged 60 years and older. Table 3 below shows the full age profile of Farm Assist claimants.

Table 3 – Age Profile of Farm Assist Recipients

	2021			2011		
Age	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Under 25	21	7	28	67	2	69
25-29	60	6	66	176	5	181
30-34	135	8	143	421	26	447

[7] [7]Teagasc National Farm Survey 2020 - Preliminary Results, July 2021. Available at: https://www.teagasc.ie/rural-economy/rural-economy/national-farm-survey/national-farm-survey-reports/

35-39	228	20	248	786	59	845
40-44	385	46	431	1,218	112	1,330
45-49	615	58	673	110	143	1,653
50-54	822	85	907	1,785	155	1,940
55-59	1,018	103	1,121	1,927	167	2,094
60 and over	1,451	116	1,567	2,609	165	2,774
Total	**4,735**	**449**	**5,184**	**10,499**	**834**	**11,333**

39% of claimants are in receipt of an increase for a qualified adult and 59% are in receipt of an increase for a qualified child, as compared to 22% and 56% respectively under Jobseeker's Allowance, indicating a proportionately higher number of dependents paid on Farm Assist.

The age profile of claimants is rising - for example, in 2011, 25% of claimants were aged 60 years and older – while claims that include an increase for a qualified adult are falling – from 46% of all claims in 2011 to 39% in 2021.

There is little 'churn' on the scheme and claimants are most likely to move from the scheme to retirement.

There were 11,333 farm assist claims on record in December 2011 prior to the Budget reforms of 2012 and 2013 which saw the percentage of farm income and off-farm self-employment income which is assessed increased from 70% to 85% and then to 100% (see Appendix 3 for further information on changes to the scheme in recent years). This number had fallen to 10,268 by the first quarter of 2014, a reduction of 9%. The reforms can be considered to be a factor in this reduction as they raised the qualification threshold for the scheme. Since 2014 numbers have continued to fall despite a re-introduction of the 70% assessment. The aging profile of recipients has contributed to the decline since 2011. 30% of current farm assist claimants are over 60 years of age, compared to 25% in 2011. Claimants tend to exit the scheme straight to a pension scheme.

7. Means Assessment

The assessment of means for the purpose of qualifying for Farm Assist is designed to reflect the actual net income from farming. Income and expenditure figures for the preceding year are generally used as an indicator of the expected position in the following year. However, account is taken of any exceptional circumstances to ensure that the assessment reflects the current situation accurately.

Rule 1(2)(b)(ix) of Part 2 of Schedule 3 of the Social Welfare Consolidation Act 2005 provides that payments received under the Rural Environmental Protection Scheme (REPS), the Agri-Environmental Options Scheme (AEOS), the National Parks and Wildlife Service Farm Plan Scheme (NPWS) and the Green Low-Carbon Agri-Environment Scheme (GLAS) attract the following disregards:

- The first €2,540 per year of payments is disregarded
- 50% of the balance is also disregarded
- Expenses incurred in complying with scheme measures are deducted and,
- The balance is assessed as means

(The disregard applies to total income under these schemes; it is not the case that the disregard applies to each individual scheme income.)

In the context of the Government's current climate/environmental agenda and targets to be reached, there is merit in considering an expanded list of schemes to which this disregard applies. This would have a positive financial impact for farmers who participate in these schemes and encourage farmers to engage with them.

Under Rule 1(9) of Part 2 to Schedule 3, remaining farm income (including income under the Direct Payment system) and income from off-farm self-employment is assessed at 70%, as follows:

- The means from all sources are added together to determine total annual means.
- All self-employment (farm and off-farm), engaged in by the customer AND his/her spouse/civil partner/cohabitant, is assessed as the gross yearly income which the farmer and his or her spouse/civil partner/cohabitant may be reasonably expected to receive, less all costs necessarily incurred in carrying out the self-employment, subject to the following:
    - Income less expenses is assessed for self-employment. Losses in one form of self-employment is offset against profit in other self-employment
    - Disregard €254 per annum for each of first two children
    - Disregard €381 per annum for 3rd and subsequent children
    - 70% of the balance is assessed as means. (Rounded to the nearest €)
    - Divide by 52 to get weekly means.

Off-farm income from insurable employment is assessed in a similar way to the rules for Jobseeker's Allowance - €20 per day (up to a maximum of €60) is deducted from assessable weekly earnings. 60% of the balance is then assessed as weekly means.

Depreciation – According to the Department's Guideline for Social Welfare Investigators on the Assessment of Means arising from Farming, the following depreciation allowances should be used for farm machinery and equipment:

Dairying	**3.5%**
Dairying & Other	**3.9%**
Cattle Rearing	**4.1%**
Cattle Other	**4.9%**
Mainly Sheep	**3.9%**
Tillage Systems	**5.4%**
Pigs/Poultry	**1.3%**
All Systems	**4%**

If applying less than the maximum % depreciation amount consideration should be given to the extent of the usage of farm machinery by way of a hire purchase or lease agreement.

Depreciation is also not allowed in respect of other capital assets such as farm buildings, yards, land reclamation. A figure to cover the annual cost of repairs, upkeep and maintenance may be allowed. Farm machinery depreciation is calculated on the gross output of the farm, not the gross income. Gross Output = all sales and grants plus any other farm income, less the cost of animal purchases only. (Expenses are not included).

Capital - In line with a number of other means-tested schemes, means from capital is assessed as follows:

Capital Held	**Weekly means assessed**
First €20,000	Nil
Next €10,000	€1 per €1,000
Next €10,000	€2 per €1,000
Balance	€4 per €1,000

Appendix 3 provides details of changes to the means assessment for the scheme since 2012.

8. Number of Claims Assessed with Means

The average weekly means of claimants is €88 and 15% of claimants have nil means. The following table shows the value of means assessed against claims in payment in September 2021.

Table 4 – Value of Means Assessed for Farm Assist Claims

Means Value	No. of Claims	% of All Claims
Nil means	782	15%
€1-€49	1865	36%
€50-€99	1096	21%
€100-€149	551	11%
€150-€199	363	7%
€200-€249	186	4%
€250-€299	153	3%
€300-€349	83	2%
€350-€399	41	1%
€400-€450	18	0%

In 2019, approximately 18% of Farm Assist recipients were engaged in off-farm employment, while that figure for 2020 was 15%.[8]

[8] As indicated by the number of recipients who had Class A/E/J/B/C/D/H earnings.

9. Discussion and Recommendations

Environmental schemes that attract an increased disregard

In line with the recommendation from the Department of Agriculture, Food and the Marine, this review recommends that the schemes listed below are included in the list of schemes contained in Part 2 of Schedule 3 to the Act which attract the disregard of €2,540 and 50% of remaining balance. These schemes have an environmental focus and in the context of the Government's climate change agenda, introducing a disregard for income under them will act to incentivise farmers to participate in them. The schemes are as follows:

- Beef Exceptional Aid Measure- BEAM
- The Beef Data and Genomics Programme
- The Beef Environmental Efficiency Plan (BEEP-S)
- All Beef Sector Efficiency Plan schemes
- Results Based Environment Agri Pilot Programme (REAP) scheme payments
- Sheep Welfare Scheme
- Afforestation Scheme
- Ash Dieback Scheme
- Agroforestry Scheme
- Forestry for Fibre
- Native Woodland Conservation Scheme
- Forest Road Scheme
- Native Woodland Conservation Scheme
- Woodland Improvement Scheme
- Woodland Environmental fund
- Neighbourwood Scheme
- Forest Genetic Resources Reproductive Material Scheme

The above list includes forest premium payments wich applies to farmers and others who have land under afforestation. Premiums paid under this scheme are currently assessed as farm income for the Farm Assist means test, with allowances are made in respect of any necessary expenditure incurred with regard to the scheme.

DAFM provided the statistics on the average payments across a variety of the agri-environmental schemes which are being proposed as additions to the list of schemes attracting the disregard, details are provided in Table 5.

Table 5 – Agri-Environmental Schemes - Participants and Expenditure 2020

Scheme	Participants	Avg. Payment 2020 €	Total Expenditure €	Notes
Beef Exceptional Aid Measure- BEAM	33,478	2,325	77,836,350	
Beef Data and Genomics Programme	22,663	1,827	41,405,301	
Beef Environmental Efficiency Plan (BEEP-S)	24,549	1,670	40,996,830	
Beef Finisher Payment	27,717	1,709	47,368,353	
Organic Farming Scheme	1,488	5,645	8,399,760	
Sheep Welfare Scheme	18,268	906	16,550,808	
Protein Aid Scheme	996	2,891	2,879,436	
ALL forestry payments	10,448	4,809	50,244,432	
REAP payments	3,750	5,333	19,998,750	*Based on budget allocation. Scheme introduced in 2021, payments likely to be significantly lower

The average payment across all the listed schemes is €2,132 (versus an average payment under the GLAS scheme of €4,343. The following example shows the effect of the recommendation on an individual farmer in receipt of an average grant payment of €2,132 under one of the above schemes (assuming not currently benefiting from a disregard for one of the schemes currently included).

Example

Under the current assessment: for example, a €2,132 grant payment under one of the recommended schemes is assessed at 70% = €1,492/52 giving weekly means of €28.70.
Assessment with new disregards: Grant payment: €2,132 with €2,540 disregarded gives nil weekly means.
This gives a difference in the weekly payment between the current assessment and the new proposed assessment of €28.70.

It is envisaged that there will be an inflow of new Farm Assist claims if the list of disregard schemes is extended; however, it is not possible to quantify the extent of such an inflow.

This disregard also applied to Jobseekers Allowance and to State Pension (Non-Contributory) and it is recommended that the amendment will also apply to these schemes.

It is not proposed to amend the disregard amount of €2,540. The average payment under the GLAS scheme is €4,243[9]. When the €2,540 and 50% of balance disregard is applied, even if no expenses are deducted, the amount to be assessed is €897, or 21% of the original grant

[9] DAFM

value.

This disregard only applies to Farm Assist, Jobseeker's Allowance and State Pension (Non-Contributory). Income from these schemes is assessed in the normal way for all other schemes.

Percentage disregard applied to farm income

After disregards for the agri-environmental schemes and children are deducted, remaining farm income and income from off-farm self-employment is assessed at 70%. There has been some commentary from Farm Organisations that this should be reduced to 50%. In comparison, under the Jobseekers Allowance scheme, income from self-employment is assessed at 100%, where 'income' is generally taken to be the gross profit less allowable work-related expenses such as travel, lighting, heating, motor running costs applicable to the business.

The policy implications of any further change to this assessment would need to be explored talking into account the position of self-employed Jobseeker's Allowance customers.

It is recommended that consideration could be given to examining this in the context of wider examination of a Working Age Payment, as committed to under Pathways to Work.

Disregards for Children

There are specific disregards for dependent children in the means assessment for Farm Assist – the first €254 per annum is disregarded for each of first two children, and €381 per annum is disregarded for 3rd and subsequent children. These disregards are generous when compared to other schemes - for example, child disregards do not exist under Jobseeker's Allowance and are €133 per qualified child for income from self-employment under the State Pension (Non-Contributory) and Blind Pension.

It is not proposed to change the child disregards for Farm Assist at this time.

Disregard for off-farm earnings

The amount of €20 per day (up to a maximum of €60) which is deducted from assessable weekly off-farm earnings has not been increased since 2007.

It is recommended that consideration be given to reviewing the €20 daily disregard in line with increases to the Minimum Wage Payment during this period.

Depreciation

There has been some commentary from Farm Organisations that depreciation for Farm Assist should be increased to a standard rate of 10%, which would result in costs**.**

It is recommended that this issue is further explored in the context of all means tested social welfare schemes with the aim of streamlining the approach to depreciation.

Capital Assessment

The threshold for the capital disregard for Farm Assist (and other schemes with the same assessment) has not been revised since 2005, and before that it had jumped from £200 to €20,000 in eight years. At its current level it is significantly lower than the disregard for the medical card and there remains a significant gap between disregards across social welfare schemes. If the amount was aligned with the medical card assessment, this would see the amount disregarded from assessment increased from €20,000 to €36,000 and with amounts assessed per €1,000 thereafter unchanged.

It is estimated that some 700 Farm Assist recipients would benefit from this measure. There may also be a number of persons who do not currently qualify for a payment as their means are in excess of the maximum amount permitted as a result, inter alia, of capital held who will now qualify due to the increase in the initial amount disregarded.

It is recommended that consideration is given that the amount to be disregarded in the capital assessment is increased.

Engagement with DAFM

DAFM's submission notes that Ireland's CAP Strategic Plan 2022-2027 is currently in development and will provide for new schemes with an increased focus on environmental and climate objectives. The benefits to be derived from achievement of these objectives will accrue not just to the agriculture sector but to society as a whole. It is therefore important that potential barriers to the take up of these schemes are addressed.

It is recommended that, as proposed by DAFM, the two Departments will work together in the future to identify schemes included in the CAP Strategic Plan which will yield environmental benefits and which may be considered for inclusion in the list of schemes for which a disregard is applied in the means test for the Farm Assist Scheme.

Costings

Costings will be considered in the context of any Budget proposals that may arise.

10. Legislative Change

Changes to the means or capital assessment for the farm assist scheme would require a change to primary legislation, to Part 2 and Table 1 of Schedule 3 to the Social Welfare Consolidation Act 2005.

11. Implementation

It is anticipated that any changes to improve the means disregards for farm assist claims will result in an inflow of new claims. It is very difficult to estimate this inflow.

The changes will also impact current farm assist claims and they will have to be reviewed - this is highly resource intensive given the complexity of the design and rules for the farm assist scheme.

Appendix 1 – Additional Statistics

Table A1 - Breakdown of Farm Assist Claims by County at end December 2019 and end June 2021

County	June 2021 No. of recipients	Dec 2019 No. of recipients
Carlow	40	51
Cavan	182	209
Clare	225	249
Cork	359	435
Donegal	936	1045
Dublin	22	19
Galway	499	574
Kerry	430	484
Kildare	18	19
Kilkenny	55	68
Laois	46	58
Leitrim	217	248
Limerick	98	105
Longford	101	112
Louth	54	54
Mayo	843	994
Meath	38	42
Monaghan	250	274
Offaly	45	51
Roscommon	169	210
Sligo	131	161
Tipperary	175	212
Waterford	41	53
Westmeath	67	79
Wexford	115	129
Wicklow	28	36
Total	**5,184**	**5,971**

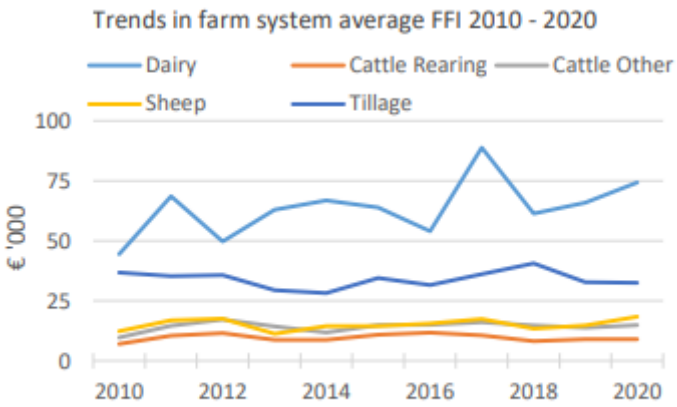
Appendix 2 – DAFM Submission

Budget 2022 Review of Farm Assist Scheme

DAFM Submission to the Department of Social Protection

Background and Context

1. In Ireland 34 per cent of farms recorded in Teagasc's National Farm Survey (NFS) are classed as economically viable i.e. Family Farm Income is sufficient to remunerate family labour at the minimum wage and provide a 5% return on the capital invested in non-land assets. A further 34% of farms are considered sustainable due to the presence of an off-farm income, while 33% are classified as vulnerable with no such alternative income.
2. Across Irish farms there are considerable variances in Family Farm Income (FFI), the return from farming for family farm labour, land and capital[10]. While Dairy farms are currently the most profitable at on average €74,326 in 2020, this contrasts sharply with other sectors such as Cattle Rearing with an average income of €9,037 and Sheep farms with an average income of €18,383. For many Drystock farms (Beef and Sheep) market income is less than zero. In these sectors, on average, farms do not make a profit from production and are heavily dependent on financial support including through direct payments.



Source: Teagasc National Farm Survey

[10] Teagasc National Farm Survey 2020

3. Within in those sectors, there are high and low performing farms economically. While many would performing above the average, equally a cohort is below. The NFS represents over 92,000 farms with a standard output of over €8,000. There are also some 35,000 'small' farms in economic terms: their standard output is less than €8,000 a year, but they are in receipt of DAFM direct payments. Most cattle farms and the majority of sheep farms are classified as part-time in terms of labour input requirements, even though in many cases the farmers may not have an off-farm job, often because they are retirement age. In this context the Department of Social Protection's Farm Assist Scheme is an important support for the 5,100 farmers who are currently recipients of the scheme.
4. The 2020 "Programme for Government – Our Shared Future" provides a commitment to "Conduct a review of the means test disregards for Farm Assist, with a view to better rewarding farmers who avail of the Scheme for their enterprise.". This review will consider all aspects of the means test for the farm assist scheme including disregards. It is noted that any changes to the scheme will have to be considered in a budgetary context.
5. Ireland's Climate Action Bill 2021 has set Ireland on a legally binding path to net-zero emissions by 2050 and to a 51% reduction in emissions by the 2030. As the largest sectoral contributor to climate emissions agriculture will have an important role in achieving these targets. This is reflected in "Food Vision 2030", the new ten-year Strategy for the Irish agri-food sector which includes the mission of a "Climate Smart, Environmentally Sustainable Agri-Food Sector" and in "Ag Climatise", the National Climate & Air Roadmap for the Agriculture Sector. Environmental and climate ambition is also a focus of the new Common Agriculture Policy 2023-2027 with the new "Green Architecture operating across both Pillar 1 Eco-Schemes and Pillar 2 climate/environmental and animal welfare related interventions. Farmers will have a pivotal role in delivering these policy objectives and it is important that they are supported in achieving these important societal goals, consistent with the Government's climate and environmental policy.

Recommendations

6. Recommendation 1: Income from DAFM payments

   The means test for the Farm Assist scheme applies disregards to all income received from

the following schemes designed to yield environmental benefit:

I. Rural Environmental Protection Scheme
II. Agri-Environmental options Scheme
III. The Special Area of Conservation
IV. Green Low Carbon Emission Agri-Environment Scheme

The First €2,540 per annum from these schemes is disregarded as well as 50% of the balance after this. Expenses incurred for compliance with the schemes is deducted and the balance assessed as means.

Given the environmental benefits associated with them DAFM recommends the addition of the following schemes:

- Beef Exceptional Aid Measure- BEAM
- The Beef Data and Genomics Programme
- The Beef Environmental Efficiency Plan (BEEP-S)
- All Beef Sector Efficiency Plan schemes
- Results Based Environment Agri Pilot Programme (REAP) scheme payments
- Sheep Welfare Scheme
- Afforestation Grant and Premium Scheme 2014-2020, including agroforestry grants and forestry for fibre.
- Ash Dieback Replanting Scheme
- Creation of Woodland on Public Lands Scheme
- Deer Tree Shelter and Deer/Hare Fencing Scheme
- Forest Genetic Resources Reproductive Material Scheme
- Forest Road Scheme
- Forestry Knowledge Transfer Group Scheme
- Innovative Forestry Forest Technology: Central tyre inflation scheme module
- Native Woodland Conservation Scheme
- NeighbourWood Scheme
- Reconstitution and Underplanting Scheme (Ash Dieback)
- Woodland Improvement Scheme including Continuous Forestry Cover

7. Recommendation 2 New Schemes under the Common Agriculture Policy 2022-2027

Ireland's CAP Strategic Plan 2022-2027 is currently in development and will provide for new schemes with an increased focus on environmental and climate objectives. The

benefits to be derived from achievement of these objectives will accrue not just to the agriculture sector but to society as a whole. It is therefore important that potential barriers to the take up of these schemes are addressed.

DAFM proposes working with the Department of Social Protection to identify schemes included in the CAP Strategic Plan which will yield environmental benefits and which will be included in the list of schemes for which a disregard is applied in the means test for the Farm Assist Scheme.

Economics and Plannning Division, DAFM.

30 September 2021

Appendix 3 - Changes to the Farm Assist Scheme since 2012

Budget 2012

- The assessment of means from farming was raised from 70% (of farm income) to 85% from January 1st 2012
- Disregards for children were halved from €254 per child per year to €127 per year for each of the first two dependent children and from €381 to €190.50 per year for each subsequent child from January 1st 2012

Budget 2013

- The assessment of means from farming was raised from 85% (of farm income) to 100% from April 3rd 2013
- Disregards for children were discontinued from April 3rd 2013

Budget 2017

Budget 2017 reversed the changes to income assessment levels and disregards for children introduced in the 2012 and 2013 Budgets. Farm income and other income from off-farm self-employment is now to be assessed at 70% down from 100% with an additional disregard of €254 for each of the first two children and €381 for the third and other children.

Budget 2018

There were no significant policy developments in 2018. There was an increase of €5 in the weekly rate of payment.

Budget 2019

There were no significant policy developments in 2019. There was an increase of €5 in the weekly rate of payment.

Budgets 2020 and 2021

No changes introduced as part of Budgets 2020 and 2021. In certain circumstances farmers were eligible for the COVID 19 Pandemic Unemployment Payment (PUP).