An update on the Basic Payment Scheme

• 2016 payments
• Track your claim online
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www.gov.uk/rpa/bps2016
BPS 2016 Payments

The first year of BPS has been difficult. Although we made payments as quickly as we could, we know that many farmers waited longer for their money than they did under the Single Payment Scheme. We’ve also been contacted by farmers because they didn’t recognise the amount we paid them and we’ve been working hard since the Summer to resolve these queries.

We’re determined to do better with 2016 payments and are committed to paying 90% of farmers by the end of December 2016. We will be making full payments from 1 December, based on the details in each claim, and we’re making improvements to the service we offer.

This year, you can track the progress of your claim online even if you applied on paper and see more information about your entitlements on the Rural Payments service (see below). Also, reports will be available for those who receive an aerial or on-farm inspection.

Shortly after we make your BPS payment, we will send you a Remittance Advice in the post, confirming the amount we’ve paid. Then we will send you a Claim Statement by post, explaining how we’ve calculated the final value of your claim. We will start to send these statements from February.

Claim Statements will be in the same format as they were in 2015. To see the land parcel information we used to work out your claim, please look at your maps on the Rural Payments service. There is also some useful guidance on GOV.UK about how BPS 2016 payments are worked out. If you don’t recognise the amount we have paid you, write or email us to explain what you think might be wrong.

If you don’t receive a payment in December

Although the ‘payment window’ runs until the end of June 2017, we always try to make payments as soon as we can. If we aren’t able to pay you in December, it doesn’t necessarily mean there is anything wrong with your claim. However, some types of claims are more complicated for us to complete and they typically take longer. Although not a full list, these tend to include:

- ‘Cross border’ claims: This is because we need to wait until all parts of the claim are finished, in each part of the UK the land is in. RPA only process the parts relating to land in England.
- Inspections: Every year a certain percentage of farms receive an inspection – either in person or by aerial photography. Processing the results of these inspections takes extra time. Unfortunately, under EU regulations we are not allowed to inform applicants in advance if they are due an inspection.
- Commons: We have to wait until we hear from all the commoners claiming on a common. This means that some commons, for example large commons with lots of people claiming on them, will take longer to finish. However we will begin to pay commons claims in December.

If we haven’t been able to pay you in December, we will contact you in January with more information about the work we’re still doing, what happens next and whether you are likely to get a payment before or after March. If we have not been able to pay you by this time due to an inspection, we will let you know. From January, farmers who remain unpaid will also have access to caseworkers, who can provide updates on the progress of their claim.

We know that this isn’t good news for those affected, but we hope that by explaining this in advance, it can help businesses to make financial decisions that are right for them.

Finally, if for any reason you are not due a payment, we will contact you to explain why. We only expect this to happen in a small number of cases.

How payments are calculated

Read the ‘Payments, Reductions and Penalties’ section of the BPS 2016 scheme rules on GOV.UK to find out more about how payments are calculated. We’ve recently updated the online version of the scheme rules to explain that the way we apply penalties for over-claiming land is changing. There’s nothing you need to do differently, but from 2016 onwards the penalty for over-claiming land will be smaller. It will increase if the land is over-claimed a second time in 2017 or beyond.

You will be able to check your latest entitlements information online, including new information which used to be on your paper Entitlements Statement. Because this information is now online, we will not be sending paper Entitlement Statements.

Entitlement values and the exchange rate for 2016

<table>
<thead>
<tr>
<th>Payment region</th>
<th>Entitlement value*</th>
<th>Greening payment rate*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-SDA (Severely Disadvantaged Area)</td>
<td>£175.27</td>
<td>£ 77.71</td>
</tr>
<tr>
<td>SDA</td>
<td>£ 174.01</td>
<td>£ 77.15</td>
</tr>
<tr>
<td>SDA moorland</td>
<td>£ 45.97</td>
<td>£ 20.39</td>
</tr>
</tbody>
</table>

*The 2016 exchange rate is €1 = £0.85228.
The Financial Discipline Mechanism (FDM) reduction rate for payments over £2,000 is 1.353905%.

If you don’t recognise the amount we have paid you, write or email us to explain what you think might be wrong.

To track the progress of your claim online, sign in to the Rural Payments service. Click the ‘Apply for BPS’ link (from the applications screen) to find the application you originally submitted. The status of your claim will change as it gets closer to being paid and as soon as it’s ready, we will pay you. Even if yours isn’t at ‘Preparing for payment’ yet, it doesn’t mean we won’t finish our work on your claim soon.

If we haven’t been able to pay you in December, we will contact you in January with more information about the work we’re still doing, what happens next and whether you are likely to get a payment before or after March. If we have not been able to pay you by this time due to an inspection, we will let you know. From January, farmers who remain unpaid will also have access to caseworkers, who can provide updates on the progress of their claim.

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Full BPS payments will start from 1 December and our commitment is to pay 90% of eligible farmers by the end of 2016.
Preparing for BPS 2017...

Just like for BPS 2016 - when more than 80% of applications were made online - you will be able to use the online service to apply for BPS in 2017. As in 2016, we will be here to help, including offering assistance over the phone.

Early next year you will be able to transfer land and entitlements online. We will also send you more information about how and when to apply and what more you will be able to do online in 2017.

If you applied on paper and didn’t use an agent in 2016, we will send you a paper BP5 application form again this year.

Have you checked your details online?
Don’t forget to check that the details you’ve registered in the ‘Personal Details’ and ‘Business Details’ sections of the Rural Payments service are still up-to-date.

Pay particular attention to the email address you’ve registered for your business, because we’ll use this to contact you in future. If it isn’t correct or up-to-date, you could miss out on important information that we send to you.

Cross compliance
We will soon be publishing the 2017 cross compliance rules. As there are no new policy changes that will affect the rules next year, they will be available on GOV.UK only, in a format that is easy to download and print.

Search for ‘cross compliance’ at www.gov.uk.

As explained last year, from 1 January 2017 land parcels of 2 hectares or less and which are next to watercourses will have to comply with the need to protect watercourses against pollution and run-off from agricultural sources, by maintaining buffer strips. Read GAEC1 for more details.

Your digital maps
In January 2017 we will be updating our digital mapping with the latest information from Ordnance Survey and aerial photography. We are doing this in January to make sure that your digital maps are as up-to-date as possible before the application window opens for BPS 2017.

We will no longer send paper maps or a confirmation to you after making any changes – so please check your maps online before you apply.

Scheme rules – including ‘greening’
The BPS 2017 scheme rules will be broadly the same as this year. You can read the current 2016 scheme rules on GOV.UK.

The BPS 2017 scheme rules will be published early in 2017 and will only be available on GOV.UK, in a format that is easy to download and print. You’ll be able to find them on our BPS 2017 page at www.gov.uk/rpa/bps or search ‘BPS 2017’.

Be aware of fraud
Banks have previously warned that fraudsters may target farmers who receive subsidy payments. It’s possible that similar fraudulent activity could take place this year.

Remember:
• Your bank, police or the RPA will never ask you to reveal your online password, PIN or bank account details or ask you to make a payment over the telephone.
• Never enter into a conversation with someone you don’t know or open unknown or unexpected computer links or emails. If in doubt, call the organisation back, ideally on a different telephone, using a number you are familiar with or you know to be official. You can usually find this on the organisation’s website, correspondence or statement.
• Contact Action Fraud on 0300 123 2040 without delay for advice and to register your concern.

Tel: 03000 200 301       Email: ruralpayments@defra.gsi.gov.uk        Web: www.gov.uk/rpa

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