An update on the Basic Payment Scheme

Including:

• BPS payments 2017
• Important updates about greening
• Cross compliance update
• Preparing for BPS 2018
Basic Payment Scheme 2017

We’ll be making payments from 1 December and are committed to paying claims as promptly as we can.

Shortly after we make your BPS payment, we’ll send you a remittance advice in the post confirming the amount we’ve paid. We’ll also send you a Claim Statement by post explaining how we’ve calculated the final value of your claim.

The format of the Claim Statement is the same as in previous years, however, it will now show any greening administrative penalties that your claim has incurred. You can read more information about these penalties on the next page.

If you don’t recognise the amount we have paid you, wait until you receive your Claim Statement. You should also check your land parcel information on the Rural Payments service as we may have made changes, for example using remote sensing and Ordnance Survey updates. For more information about this, read the ‘Check your maps’ section in this update.

If you still do not agree with the amount you’ve been paid, fill in a payment query form and return it to us by email or post. The form is on GOV.UK, search for ‘BPS payment query form’ at www.gov.uk.

If you don’t receive a payment in December

The ‘payment window’ runs until the end of June 2018, but we always try to make payments as soon as we can. We’ll pay a range of BPS 2017 claim types and values in December. If we cannot pay you in December, it does not necessarily mean there is anything wrong with your claim. However, some types of claims typically take longer to complete. 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 processes the parts relating to land in England.
- **Inspections**: every year a certain percentage of farms receive an inspection – either in person or by remote sensing. Unfortunately, under EU regulations we are not allowed to inform applicants in advance if they are due an inspection. Processing the results of these inspections takes extra time. However, a new inspection report form will give clearer information about the inspection results. This will be sent to all businesses that have been inspected.
- **Commons**: we cannot allocate the eligible area of a common to those who have declared their rights on it until we have received all necessary information. This means that some commons, for example large commons with lots of people claiming on them, will take longer to finish.

If we cannot pay you in December, we will contact you with more information about the work we’re still doing and what happens next.

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

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

How payments are calculated

You can read more about how payments are calculated on GOV.UK, search ‘BPS 2017’ at www.gov.uk.

This includes information about greening administrative penalties and the ‘Payments, Reductions and Penalties’ section of the BPS 2017 scheme rules.

### Entitlement values and the exchange rate for 2017

<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>€180.46</td>
<td>€77.69</td>
</tr>
<tr>
<td>SDA</td>
<td>€178.90</td>
<td>€76.92</td>
</tr>
<tr>
<td>SDA moorland</td>
<td>€49.63</td>
<td>€21.32</td>
</tr>
</tbody>
</table>

*The 2017 exchange rate is €1 = £0.89470.
The Financial Discipline Mechanism (FDM) reduction rate for payments over €2,000 is 1.388419%.
Track the progress of your claim
You can do this on the Rural Payments service even if you applied on paper. Go to the ‘Apply for BPS’ screen, the ‘status’ box will show the progress of your claim.

- **Submitted:** we’ve received your application and it’s ready for our initial checks.
- **Claim validation:** we’re making our main checks on your claim.
- **Final checking:** we’re making final checks to confirm the claim value.
- **Preparing for payment:** our checks are complete and the claim is being prepared for payment.

Sometimes, it may seem that your claim has been at one stage for a while. This is because there can be multiple checks to make. In some instances your claim may also move back a stage as we may identify a query which needs to be resolved.

**Fraud**
As fraudsters may target farmers who receive subsidy payments, remember:

- Your bank, police or 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 discuss your bank account details 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.

If you feel you’ve been the subject of fraud, contact Action Fraud on 0300 123 2040 without delay for advice and to register your concern.

**Important updates about greening**

**Changes to greening requirements**
These will come into effect from 1 January 2018.

The main changes are:

- A complete ban on the use of Plant Protection Products on Ecological Focus Area (EFA) Fallow Land, EFA Catch and Cover Crops, and EFA Nitrogen-fixing Crops.
- As part of crop diversification, an area can be declared as ‘mixed crops’ if it contains small areas of different crops grown next to each other.
- The definition of EFA hedges will include trees in a line.
- The definition of EFA buffer strips will include field margins as well as buffer strips.
- EFA catch crops must be maintained for a minimum of 8 weeks starting on 20 August 2018 and must be retained until at least 14 October 2018.
- EFA nitrogen-fixing crops can now include mixtures of different nitrogen-fixing crop species; or mixtures of nitrogen fixing crops and other crops, as long as over 50% is nitrogen-fixing crops.

You can read more details about the changes on GOV.UK, search ‘BPS 2018′ at www.gov.uk. More information will be published in the ‘Basic Payment Scheme: rules for 2018’.

**Greening administrative penalties**
These are additional penalties that will be applied to the greening part of the Basic Payment Scheme payment from 2017 onwards.

The penalties will be applied if the total of any greening payment reductions from crop diversification, permanent grassland or Ecological Focus Area is more than 2 hectares or 3% of the area that the greening payment is based on.

If a greening administrative penalty is applied to your BPS 2017 claim, the penalty will show on your BPS 2017 Claim Statement as a separate line under the ‘Greening reductions and penalties’ section.

You can read more information about these penalties on GOV.UK, search for ‘BPS 2017’ at www.gov.uk.
Cross compliance 2018

SMR 1: Nitrate Vulnerable Zones - remember: if your land is in a Nitrate Vulnerable Zone for the first time in 2017 you should read about the transitional arrangements that apply to give you time to adjust your farming practice. Search for ‘Nutrient management: Nitrate Vulnerable Zones’ on GOV.UK at www.gov.uk.

The way we check the following rules is changing from 1 January 2018. These are not new rules but we must check them differently. Therefore, remember that for:

- **GAEC 5**: Minimising soil erosion - you must make sure you have put in place suitable practical measures to limit soil and bankside erosion, and can show this during any inspection.
- **SMR 7**: Cattle identification and registration, and SMR 8: Sheep and goat identification - you must make sure that all your cattle and sheep are correctly identified and that lost and damaged ear tags are replaced within the deadlines. You must also make sure that any cattle notifications you make to BCMS are made within the deadlines.

You can read the current rules about suitable practical measures, or animal identification or registration and deadlines in the “The guide to cross compliance in England 2017” (available on GOV.UK), and these will remain unchanged in the 2018 guide.

We will be publishing the cross compliance rules for 2018 soon. We will also publish any updates for 2018 as soon as we know them. The rules and any updates will be available on GOV.UK only, search for ‘cross compliance 2018’ at www.gov.uk.

The Farming Advice Service (FAS) provides free, confidential advice to farmers and farming industry advisers to help them understand and meet requirements for cross compliance, ‘greening’, water protection and the sustainable use of pesticides. Call them on 03000 200 301 or search on GOV.UK for more information about the Farming Advice Service.

Preparing for BPS 2018

Check your maps

Over recent months, we’ve reviewed and updated where necessary our mapping information which we use to make common agricultural payments. We’ve updated our digital land maps using the latest available data sources such as aerial photography and Ordnance Survey map updates.

You can see digital maps of your individual land parcels on the Rural Payments service. If we’ve updated your land parcels as part of our mapping review, you will have received a notification in the messages tab on the Rural Payments service identifying which land parcels we have updated.

If you do not agree with the changes we’ve made, you have evidence to support this, and believe the changes will have a significant effect on your rural payments schemes’ payments or agreements, you will need to fill in an RLE1 form. Please read the RLE1 guidance on GOV.UK, search for ‘RLE1’ at www.gov.uk.

Please check your maps as soon as possible and tell us about any changes you need to make. Continue to tell us about mapping issues as soon as you can, using an RLE1 form. We will use this information to check your BPS 2018 application.

We’ll continue to update our mapping information throughout the year, so it’s important that you check regularly for notifications on the Rural Payments service.

Applying for BPS in 2018

We’ll let you know when you can start to apply for BPS. If you applied online in 2017, we’ll send you an email. We’ll also send a paper application form to those who applied on paper in 2017.

As soon as you can start to apply, we’ll publish all the information you need for BPS 2018 on GOV.UK including the scheme rules, and supporting forms and guidance. Search for ‘BPS 2018’ at www.gov.uk.

It’s important that you read the scheme rules and guidance carefully as some of the information may have been updated since you read it in previous years.

Remember

You can see more information about your entitlements on the Rural Payments service. From the “Business overview” screen, click ‘Entitlements’, then ‘View entitlements’.

What’s new on the Rural Payments service for BPS 2018

From early 2018 the Rural Payments service will contain information about hedges that have been mapped using Ordnance Survey and other mapping information. You’ll see details about your hedges including their length and whether they’re eligible as an Ecological Focus Area (EFA). You can choose to see your hedges in the map or aerial photograph. You’ll find more information onscreen by clicking ‘Help’ on the ‘Parcel details’ screen.

From the ‘Business overview’ screen in the Rural Payments service, click ‘Land’, then ‘View land’, and choose the relevant land parcel.

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