



Rural Payments
Agency

December 2020

An update from the Rural Payments Agency

Including:

- Information on payments
- Changes to the Basic Payment Scheme from 2021
- Benefits of applying for Countryside Stewardship and transition to the Environmental Land Management scheme



Go to www.gov.uk/rpa for scheme information



Payments

We started making annual/revenue payments to customers in December 2020, the opening of the payment window, for the Countryside Stewardship (CS) and Environmental Stewardship (ES) schemes and the Basic Payment Scheme (BPS).

In the last scheme year, we continued to pay a greater number of farmers and land managers more quickly, within the payment window. For this scheme year, we have continued to make really good progress, despite providing an extra month to allow our customers to submit Basic Payment Scheme applications, Countryside Stewardship revenue and Environmental Stewardship claims.

We know the importance of payments to farm businesses across the country and our focus remains on paying eligible claims as promptly as possible.

CS and ES annual revenue payments

In 2019, we replaced the separate advance and final payments with one full payment for CS and ES annual revenue claims.

This means that if you submitted an eligible CS or ES revenue claim in 2020, you should expect to receive your payment between the beginning of December 2020 and the end of June 2021, once processing of your CS or ES claim has been completed.

Reminder for CS capital claims

Remember you must complete any capital works within 2 years of the agreement start date. The approved work must be completed in line with the agreement and you must pay for it. This means the full payment must leave your bank account before you submit your claim. This is important because if you cannot demonstrate that you have paid for works undertaken, your claim may be rejected.

We must receive all claims for payment no later than 3 months after the agreement end date or the claim will not be accepted.

How BPS payments are calculated

Entitlements and greening rates for 2020 are calculated in euros and the exchange rates used to make payments is the same as in 2019, so €1 = £0.89092.

Financial Discipline Mechanism (FDM) reductions will not apply for 2020. This means most BPS customers will receive a small increase to their payment.

Entitlement values and greening rate for 2020

The table below shows entitlement values and greening payment rates in euros for 2020.

Payment region	Entitlement value	Greening payment rate
Non-SDA (Severely Disadvantaged area)	€182.70	€79.07
SDA	€181.34	€78.58
SDA moorland	€49.76	€22.02

The table below shows entitlement values and greening payment rates in sterling for 2020.

Payment region	Entitlement value	Greening payment rate
Non-SDA (Severely Disadvantaged area)	£162.771	£70.445
SDA	£161.559	£70.008
SDA moorland	£44.332	£19.618

You can read more about how BPS payments are calculated on GOV.UK, search 'BPS 2020' at www.gov.uk.

Be aware of fraud

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

- never discuss your bank account details with someone you don't know
- we will never ask for your online password or PIN
- we will never ask for your bank account details, or to make a payment over the phone
- delete any emails or texts you do not believe are genuine, and do not open any links - our main email addresses are:
 - ruralpayments@defra.gov.uk
 - rpa@notifications.service.gov.uk
 - rdpenetwork@defra.gov.uk
- be cautious about what information you share externally, particularly on social media

If you suspect an attempted fraud or feel you have been the subject of fraud, you can contact:

- **RPA's Fraud Referral Team** on 0800 347 347 or FraudInConfidence@rpa.gov.uk
- **Action Fraud** (the UK's national reporting centre for fraud and cyber-crime) on 0300 123 2040

Do you need to arrange consent for a Site of Special Scientific Interest (SSSI)?

If you have a Site of Special Scientific Interest (SSSI) on your holding, the parcel where it's contained must be included in your CS application or CS or Higher Level Stewardship (HLS) extension. When you receive your CS agreement or CS or HLS extension offer, as well as returning the signed offer declaration, remember to request a SSSI consent from Natural England. You will need to send a copy of the agreement offer, along with a Notice form to Natural England, at the time you receive your offer. This is important because your agreement cannot start until you have received this SSSI consent from Natural England.

Woodland grants available all year round

Applications for the **Woodland Management Planning Grant**, **Woodland Creation Grant** and **Woodland Tree Health Grant** are available all year round through Countryside Stewardship, but do allow plenty of time (at least 5 months to get your agreement for Woodland Creation). When submitting Woodland Management Plans they need to be submitted by 31 December in the year before an application for Woodland Improvement to make sure that they can be assessed and approved in time.

Agroforestry and the Basic Payment Scheme

There is a misconception that BPS is not compatible with all Agroforestry systems. Some forms of Agroforestry are allowed within the scheme rules. Now that we are simplifying BPS, it's a good time to clarify the rules, especially considering the environmental benefits of having trees on farms, the government commitment to planting new trees and the desire to support agroforestry through land management schemes.

Within the BPS rules, it is possible to grow some agroforestry options and you can read more about this and the benefits by searching for **'Agroforestry and the Basic Payment Scheme leaflet'** on GOV.UK.

Inspections and Enforcement

Despite the impact of coronavirus (COVID-19), we are still carrying out inspections and site visits to make sure we meet compliance requirements and do not cause delay to payments.

We've changed the way we carry out some parts of inspections and site visits during the pandemic, to help keep everyone safe.

We've been working with Defra, Natural England and Forestry Commission colleagues, stakeholder representatives, farmers and other food producers to understand the impact on organisations and individuals. This has led to agreeing best practice and sharing ideas to be consistent, across the Department, in the way we carry out inspections and site visits. This was particularly important as local lockdowns were introduced and regional tiers, which required us to consider different measures throughout the country.

To help keep everyone safe, we've also made greater use of technology to communicate and share information. This has been successful and is something we are looking to develop further.

We appreciate the support customers have shown to help us carry out this work during this challenging time.

Changes to the Basic Payment Scheme (BPS) from 2021: progressive reductions

As you may be aware, we plan to phase out the payments in England from 2021 to 2027.

This means from the 2021 scheme year, we intend to reduce any BPS payments you receive by the following percentages. (Your BPS 2020 payment will not be affected.)

Payment Band	Reduction
1. Up to £30,000	5%
2. £30,000 - £50,000	10%
3. £50,000 - £150,000	20%
4. More than £150,000	25%

Payments will be reduced progressively. All payments will be reduced but there will be bigger reductions on the highest payment bands. These bands will work like income tax bands. For example, everyone will have a reduction of 5% on their first £30,000 of payments in 2021.

We will continue to reduce payments by the following percentages in 2022-2024.

Payment Band	2022	2023	2024
1. Up to £30,000	20%	35%	50%
2. £30,000 - £50,000	25%	40%	55%
3. £50,000 - £150,000	35%	50%	65%
4. More than £150,000	40%	55%	70%

The following table shows how payments will be reduced from 2021 to 2024.

Payment value before progressive reductions	2021 payment	2022 payment	2023 payment	2024 payment
£5,000	£4,750	£4,000	£3,250	£2,500
£10,000	£9,500	£8,000	£6,500	£5,000
£20,000	£19,000	£16,000	£13,000	£10,000
£40,000	£37,500	£31,500	£25,500	£19,500
£80,000	£70,500	£58,500	£46,500	£34,500
£160,000	£134,000	£110,000	£86,000	£62,000

Payments will be reduced each year until the final payments for the 2027 scheme year. We will invest all the money from these reduced payments back into farming and the countryside.

For more information about what's happening in 2021 and our new schemes on offer, read our new booklet **'Farming is Changing'**, by searching for 'Future farming: changes to farming in England' on GOV.UK.

Benefits of applying for CS and transition to the Environmental Land Management scheme

Farmers and land managers are encouraged to apply for Countryside Stewardship as an additional, long-term income stream so they can start delivering environmental benefits on their land now. If you sign up to new Countryside Stewardship agreements in the next few years, you will be well-placed in the future to participate in the new Environmental Land Management scheme.

No-one in a Countryside Stewardship agreement will be unfairly disadvantaged when we transition to the new scheme. If you enter a Countryside Stewardship agreement from 2021 onwards, you will be able to end your agreement early, at agreed points, where you have secured a place in the Environmental Land Management scheme.

We'll be testing and developing the new Environmental Land Management scheme, with a wide range of land managers through a 3 year national pilot starting in 2021.

We plan to test and refine the design and delivery of the scheme during the pilot and as part of this we want to learn from the experience and expertise of some of you in Environmental Stewardship and Countryside Stewardship agreements as well as our BPS customers.

We will provide more information about the pilot, including participation and the application and selection, in the next few months. Please register for **Defra's e-alerts** to get the latest information.

Countryside Stewardship: air quality

Air quality will be introduced as a new objective for Countryside Stewardship Scheme applications in 2021. The aim will be to reduce ammonia emissions from agriculture and will enable existing options that improve air quality, such as slurry store covers or planting of tree shelter belts, and two new capital items to be used in priority areas to improve air quality. The two new capital items we will be offering are automatic floor scrapers and low emission flooring, both for livestock housing. Further details will be published in the CS manuals in 2021 and on GOV.UK. These changes form part of the support identified in the Clean Air Strategy to allow farmers to make investments in farm infrastructure and equipment that will help them to reduce ammonia emissions. You can read about the **'Clean Air Strategy'** on GOV.UK.

For scheme information go to www.gov.uk/rpa

Contact us



Email us

ruralpayments@defra.gov.uk



Call us

03000 200 301

(Monday to Friday 8.30am to 5pm, except bank holidays)



Write to us

(CS customers)

Rural Payments Agency

PO Box 324

Workshop

S95 1DF

(BPS customers)

Rural Payments Agency

PO Box 352

Workshop

S80 9FG

For ES customers, address details are split by county – for more information, go to the [Environmental Stewardship](#) page on GOV.UK.

Support for the farming community

We work in partnership with Farming Help organisations to support their work to help the farming community through challenging times. If this affects you, please either visit the [Farming Help website](#), phone the Farming Help helpline on **03000 111 999**, or call us on **03000 200 301**.

A new project, led by the Farming Community Network (FCN), has been set up to help farmers in England and Wales plan ahead for the future. FCN's 'Time to Plan' campaign helps to raise awareness about the importance of forward planning and encourages farmers to prepare for change from both personal and business perspectives.

In the longer term, FCN will be developing a 'Planning Toolkit' to help farming families take positive steps to prepare for the future, building on FCN's [FarmWell](#) and [FarmWell Wales](#) initiatives. To find out more about the project, visit [the FarmWell website](#).

The Royal Agricultural Benevolent Institution (RABI) charity also recognises the pressures on the farming community and has launched an online wellbeing community and counselling service for farmers across England and Wales. The initiative features two distinct sites - [Qwell.io/rabi](#) for adults, while [Kooth.com/rabi](#) is tailored to those aged 11-17. You can read more information on [the RABI website](#).

For scheme information go to www.gov.uk/rpa