

Single Payment Scheme Handbook for England Supplement for 2014



Rural Payments
Agency



Department
for Environment
Food & Rural Affairs

Contents

	Important dates for SPS 2014	3
	Introduction	4
A	SPS 2014: Things you need to know	5
B	Dual Use	6
C	Intentional over declaration	6
D	Salt marshes and fenced riverbanks	7
E	Woodland on the Rural Land Register (RLR)	9
F	SPS 2014 payments	10
	i) European Union (EU) budget reductions	10
	ii) Replacing modulation	10
	iii) Financial Discipline Mechanism	10
	iv) Financial reserve for crises in the agricultural sector	10
	More information	11

Important dates for SPS 2014

The 2014 scheme year

The scheme year begins on this date.



The scheme year ends on this date.



Your application

Your application must reach us by midnight on this date.




Once you've sent your application to us, you can make certain changes by writing to us or emailing us. If we receive your changes by midnight on this date we won't apply a penalty.



We can accept your application or any changes until midnight on this date. However, we'll apply a penalty. If we receive your application after this date we won't accept it.



 For more information about making changes to your application read section N, paragraphs 10–12 of the SPS 2013 handbook.

Your Payments

The payment window opens on this date.




The payment window closes on this date.



Other important dates for 2014


You must tell us by midnight on this date if you want any entitlements transfers to be effective for the 2014 scheme.



 For more information about transferring entitlements read section F of the SPS 2013 handbook.

SPS land must be at your disposal on this date.



 For more information about 'Land at your disposal' read section H of the SPS 2013 handbook.

Introduction

This is the last year of the Single Payment Scheme (SPS). This supplement contains important reminders about things you should check for before you apply. It also tells you about some new things that will affect SPS payments this year.

For a summary of what's in this supplement, go to page 5.

It's important to remember that this isn't a full handbook and isn't a replacement for the 'Single Payment Scheme Handbook for England 2013'. **You should read this supplement and the 2013 handbook (including the 'Extra guidance on dual use of land') before you apply for SPS 2014.** These are available on our website.

Cross compliance rules: guidance for 2014

Before you apply for SPS, make sure you read the latest cross compliance guidance because you will need to meet the rules that apply to your business.

Uplands Transitional Payment (UTP) has ended

Please remember that the Uplands Transitional Payment (UTP) ended in 2013. That means you cannot apply for it this year.

A new scheme will start in 2015

As you may know, a new Common Agricultural Policy (CAP) is being negotiated by the European Union (EU). As a result, this is the final year of the Single Payment Scheme and a new direct payments scheme for farmers will start in 2015. It will be called the **Basic Payment Scheme (BPS)**.


You won't have to do anything differently when you fill in your SPS 2014 application but there are two particular things you need to think about this year. We've included more information about these with this supplement.


There's still a lot we don't know about the new scheme but we'll send more information to you later in the year.

Publishing CAP payment data

Details of CAP payments to legal persons (companies) are currently published on the Defra website at www.defra.gov.uk.

It's likely that the EU will decide that more details will need to be published from 2015. We expect this to include details of all SPS 2013 and SPS 2014 payments including those made to individuals. The names of individuals who receive €1,250 or less in one year will not be published.

 To read the Single Payment Scheme Handbook for England 2013, and 'Extra guidance on dual use of land' visit our website at www.rpa.defra.gov.uk.

 'The Guide to Cross Compliance in England 2014 complete edition' is on our website at www.rpa.defra.gov.uk/crosscompliance2014.


SPS 2014: Things you need to know

A

1 Making your application


Dual use

As in previous years, there are strict rules you need to follow if you claim an SPS payment for land that someone else is claiming for under another scheme. It's important that you can show that you meet the scheme rules and that the land is 'at your disposal'.

 For more information about dual use, read page 6.

Intentional over declaration


You must not claim an SPS payment for land that you know (or should know) is ineligible (for example, a surfaced road or building). If you do, you could lose all your SPS payment this year and potentially lose money from future payments too.

 For more information about intentional over declaration, read page 6.

Remember to check your application carefully before sending it to us.


Salt marshes and fenced riverbanks: are they eligible?

If you want to claim SPS payment on salt marshes or fenced riverbanks, check the scheme rules to see if they're eligible before you do.

 For more information about salt marshes and fenced riverbanks, read page 7.

Woodland on the Rural Land Register (RLR)

Land declared under a land use code of FR1, FR3 or FR4 is not eligible for SPS, so you can't activate entitlements against this land. If a whole land parcel is declared under one of these codes, we've recorded it as an 'SPS permanent ineligible feature' on the RLR.


 For more information about woodland on the RLR read page 9.

2 Your payments

Entitlement values reduced

The value of entitlements is likely to be lower in 2014 for the following reasons:

- the EU budget has reduced
- modulation is being replaced

 For more information about what could affect your payment in 2014, read page 10.

Financial Discipline Mechanism


This was applied for the first time in 2013, reducing all payments above €2,000 by 2.453658%. Financial discipline will be applied again in 2014.


Financial reserve for crises in the agricultural sector

A financial reserve was created with funds received from the Financial Discipline Mechanism in 2013. If any funds aren't used in the 2014 scheme year, they'll be refunded.

B Dual use

Last year, we gave you a leaflet called 'Extra guidance on dual use of land'. We sent this to you with your SPS 2013 handbook. Please make sure you read it carefully before you apply.

 For a definition of dual use read page 8, section B of the SPS 2013 handbook.

 'Extra guidance on dual use of land' is available on our website at www.rpa.defra.gov.uk

C Intentional over declaration


1 Sometimes people claim an SPS payment for land that clearly isn't eligible. This is called 'intentional over declaration' and there are strict rules to prevent it. Please make sure that you don't over declare – you could lose all your SPS payment.

Intentional over declaration might apply to you if you:

- claim payment - whether deliberately or not - for land that is clearly ineligible. For example:
 - surfaced roads and ponds;
 - concrete hard standings and buildings;
 - land that is obviously non-agricultural; or
 - land that is clearly not legitimately under your control.
- claim payment for land that we've already told you is ineligible.

We'll treat these as 'intentional' if we believe that you should have known the land wasn't eligible for SPS before you applied.

As we told you in last year's handbook, the penalties we apply for intentional over declaration are severe. You could lose your whole payment if you over declare by more than 1 hectare or by more than 0.5% of your total amount of eligible land.


 For more information about intentional over declaration penalties, see page 76 of the SPS 2013 handbook.


2 Checking your application

In most cases, when you receive your SPS 2014 application you'll find that we've already filled it in with the information we hold about your land. However, it's your responsibility to check these details and correct them if they're wrong or have changed (for example, if you have a tenancy which has ended).

The best way to avoid intentional over declaration penalties is to follow the scheme rules in the SPS 2013 handbook about what land is eligible. Remember to take into account any changes to your land on the Rural Land Register (RLR) that we've told you about since last year, or any that you've recently made.

Always check your application carefully before you send it to us.

 If you make a mistake when completing your paper form - read section Q of the SPS 2013 handbook.

 For more information about what land is eligible for SPS, read section G of the SPS 2013 handbook.

Salt marshes and fenced riverbanks

1 In response to questions we've received since we published the SPS 2013 handbook, this section will help to explain the rules about both salt marshes and fenced riverbanks.

Remember to make any changes to your application that are needed.

2 Salt marsh

Salt marshes and other areas of marginal land aren't normally eligible for SPS because they're usually not part of the agricultural area.

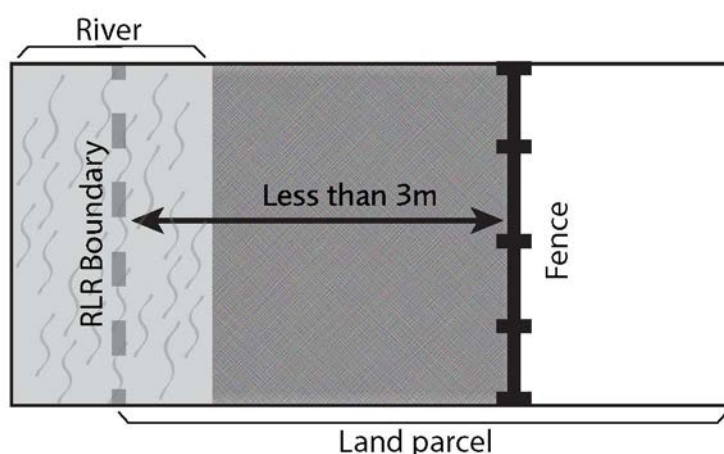
However, you may be able to claim payment on them if they're being actively grazed. It's important that you don't claim on any ineligible features such as ditches and areas that are inaccessible to animals.



3 Fenced riverbanks

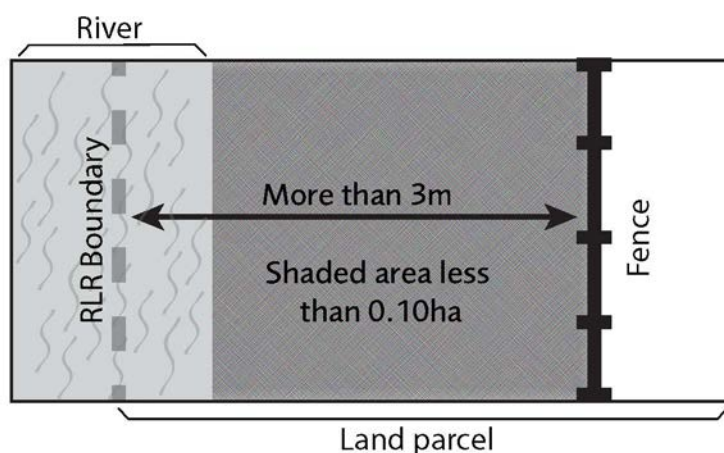
Riverbanks protected by stock proof fencing can be eligible in the following circumstances:

- 1) the fence is less than 3m from the existing boundary.



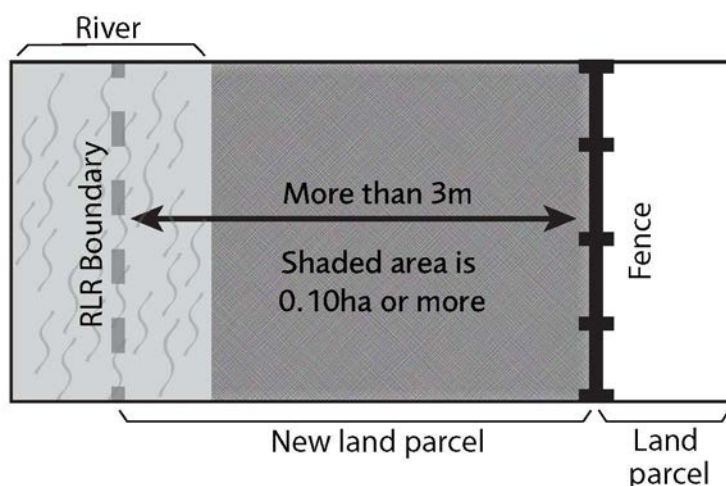
In this case we'll consider the fence as part of the existing boundary feature. That means we won't change your maps or the eligible area. The area between the fence and boundary doesn't need to be accessible for grazing.

- 2) the fence is more than 3m from the existing boundary, but the area between the fence and the boundary is less than the minimum eligible area for SPS (0.10ha).



In this case we won't map the area between the fence and the boundary separately. However, the area should be accessible for grazing (to show that it forms part of the agricultural area) and must meet all other eligibility conditions.

- 3) the fence is more than 3m from the existing boundary and the area between the fence and the boundary is 0.10ha or more.




In this case we'll map this area as a new parcel, splitting the existing field. This new parcel will need to meet the normal eligibility rules of the scheme.

Woodland on the Rural Land Register (RLR)

- 1** Areas of trees and woodland within a land parcel are not normally eligible for SPS. You should check these areas carefully when you fill in your application to make sure that you claim payment on eligible land only.

Land declared under a land use code of FR1, FR3 or FR4 is not eligible for SPS, so you can't activate entitlements against this land. If a whole land parcel is declared under one of these codes, we've recorded it as an 'SPS permanent ineligible feature' on the RLR. That means the 'Maximum area eligible for SPS' for these land parcels shows as '0.00' on your SPS 2014 application.

 For more information about land eligibility read section G of the SPS 2013 handbook.

F SPS 2014 Payments

1

In 2013, payments were affected by the Financial Discipline Mechanism. This year, there are also some other things which will affect how much you might get paid.

As in previous years, we won't know entitlement values for SPS 2014 until later in the year. We'll let you know the values as soon as the information is available.


i) European Union (EU) budget reductions

In 2014 the UK will receive less money from the EU for SPS payments. With less money available, the value of your individual entitlements is likely to be lower than in 2013.

ii) Replacing modulation

In previous years we've taken a percentage off every SPS payment to help fund rural development programmes. This was called modulation.

Modulation won't happen in 2014. Instead, 12% of the total amount of money available for SPS in England will be transferred to the Rural Development Programmes for England (RDPE) before we calculate entitlement values.

 For more information about modulation and financial discipline, read page 69, section M of the SPS 2013 handbook.

iii) Financial Discipline Mechanism

The European Commission applied financial discipline for the first time in 2013 and will apply it annually from now on. When we know how much this will be and how it will affect your SPS 2014 payment, we'll let you know.

iv) Financial reserve for crises in the agricultural sector

The European Commission uses the money from financial discipline to create a financial reserve. This money will be used to help support the farming industry in times of crisis. For example, if there is a significant loss of consumer confidence following a disease outbreak.

Any money that isn't used will be refunded. That means that if you had financial discipline applied to your payment in 2013, you may receive some money back if your SPS 2014 claim is also subject to financial discipline.

More information

1 Our contact details are:

Customer Service Centre: (8:30am to 5:00pm, Mon to Fri)	0845 603 7777
Email:	csc@rpa.gsi.gov.uk
Address:	Rural Payments Agency PO Box 300 Sheffield S95 1AA
Website:	www.rpa.defra.gov.uk
Follow us on Twitter:	@Ruralpay

When you contact us please give your Single Business Identifier (SBI), your business name and the scheme year of your query.

If you're deaf, deaf blind, deafened, hard of hearing or speech impaired and have a text phone, you can use Text Relay (previously known as Type Talk). This is a telephone relay service that means you can communicate with hearing people by telephone. To contact us using Text Relay, dial 18002 0845 603 7777 from your text phone.

2 For more information about European regulations visit:

- www.europa.eu/legislation_summaries/agriculture/general_framework/ag0003_en.htm
- www.legislation.gov.uk

or call Her Majesty's Stationery Office (HMSO) on 0870 600 5522

3 Farming Community Network

If you need any help or support, call the Farming Community Network (formerly the Farm Crisis Network).

They give pastoral and practical support to farming people during times of worry, stress and problems about the farming business and the farming home. They run a helpline from 7am to 11pm every day of the year and are staffed by a team of volunteers.

4 If you want to receive this guidance in large print, or another alternative format call our Customer Service Centre on 0845 603 7777 or email csc@rpa.gsi.gov.uk.

