

# Observatory monitoring framework – indicator data sheet

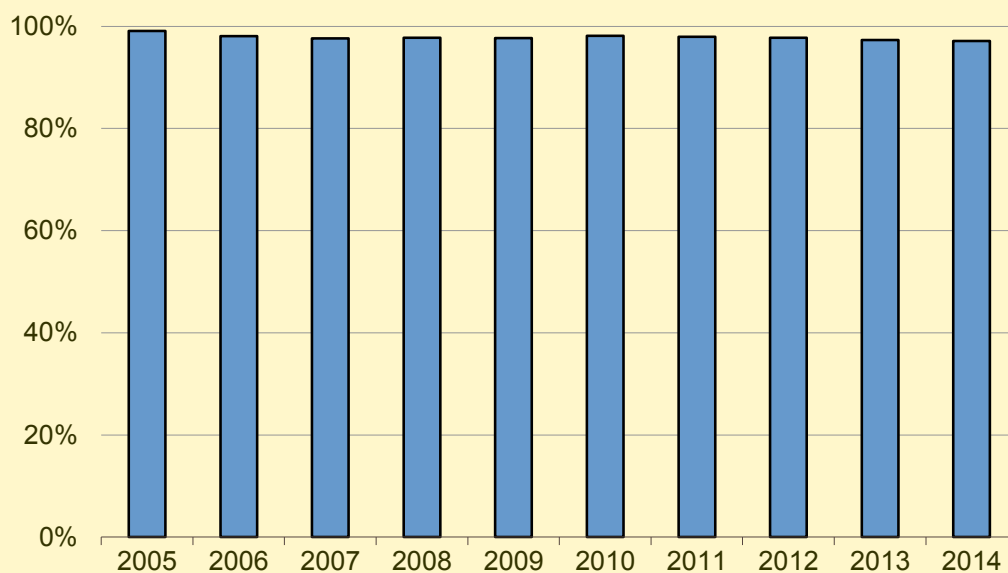
## Mechanism

### Indicator A1: Single Payment Scheme (SPS) uptake

This indicator shows the proportion of established land on which Single Payment Scheme (SPS) entitlements have been activated each year.

In 2005, farmers wishing to claim the Single Payment were required to establish entitlements – a one off exercise. The data suggest that entitlements were established on 96.7% of eligible agricultural land. To receive payment, farmers must activate some or all of their entitlements each year.

#### A1 Area of land on which SPS entitlements are activated as a proportion of the land on which entitlements were established



Source: RPA, Defra

In 2005, entitlements were activated on 99.1% of land on which entitlements were established.

In 2014, entitlements were activated on 97.1% of land on which entitlements were established.

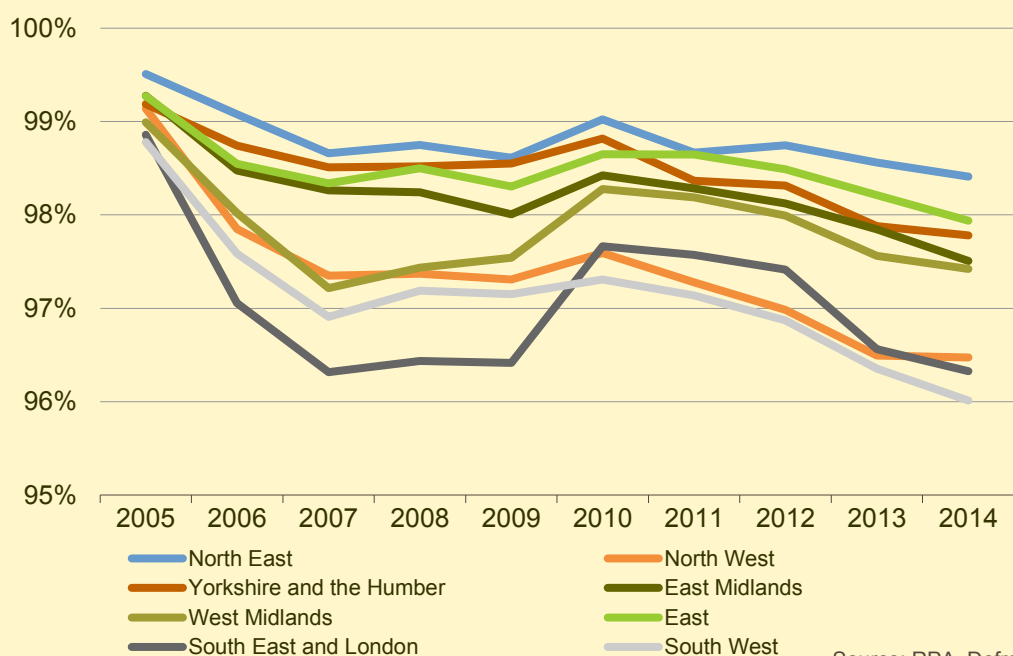
Changes were made to land eligibility in 2009 meaning that SPS can now be claimed on permanent crops, such as orchards and nursery stock. This may have resulted in a slight increase in the area of land on which SPS entitlements were activated in 2010.

### Regional data

In 2005, the proportion of established area on which entitlements were activated was fairly uniform across all regions at 99%.

Between 2005 and 2014 there has been a decline in the proportion of activated entitlements in all regions. The greatest declines have been in the southern and North West regions.

**A1a Area of land on which SPS entitlements are activated as a proportion of the land on which entitlements were established**



This indicator was updated in September 2015. It will be updated when further data become available.

### *Further information and contact*

Background information can be found in the accompanying fact sheet.

For queries or information on this indicator contact Defra's Observatory team on +44 (0) 1904 455058 or email [observatory@defra.gsi.gov.uk](mailto:observatory@defra.gsi.gov.uk)

# Observatory monitoring framework – indicator fact sheet

## Mechanism

### Indicator A1: Single Payment Scheme uptake

<i>Indicator</i>	Single Payment Scheme (SPS) uptake
<i>Data</i>	Proportion of SPS established area that has entitlements activated each year.
<i>Geographic coverage</i>	England and NUTS1 regions.
<i>Years</i>	2005 - 2014
<i>Source</i>	Rural Payments Agency (RPA) and Defra
<i>Origin of data</i>	Scheme administrative data and June survey data
<i>Updates</i>	This indicator will be updated as data become available.
<i>Background</i>	<p>This indicator gives an indication of the take up of the Single Payment Scheme in England and thus an indication of the area of land subject to cross compliance conditions.</p> <p><u>Single Payment Scheme</u></p> <p>The Single Payment Scheme was introduced on 1 January 2005 as a result of the 2003 CAP reforms. It is a “decoupled” payment which replaced eleven direct subsidy payments linked to either crop or livestock production. The Older Cattle Disposal Scheme (OCDS), protein crop premium, area aid for nuts and aid for energy crops remained coupled to production. However, OCDS closed on 31<sup>st</sup> December 2008, aid for energy crops closed in 2009 and area aid for nuts and the protein crop premium were decoupled in 2012.</p> <p>In England the SPS was implemented through a hybrid scheme moving from historic to flat (or area) rate payment by 2012. In 2005, farmers wishing to claim the Single Payment were required to establish entitlements – a one off exercise. Comparison with June Survey data suggests that entitlements were established on just under 97% of eligible agricultural land. To receive payment, farmers must activate some or all of their entitlements each year. The CAP Health Check reforms of 2008 made more land eligible for the SPS; the main impact was the inclusion of permanent crops, (permanent fruit, vegetables, nursery crops and vines).</p> <p><u>Previous Product Subsidy Payments</u></p> <p>The eleven direct subsidy payments replaced by the SPS were:</p> <ul style="list-style-type: none"><li>• <i>Arable Area Payment Scheme (AAPS)</i> - area based payments on eligible land to growers of cereals, linseed, oilseeds, peas for harvesting dry, field beans, flax and hemp.</li><li>• <i>Seed production aid</i> – payments to growers of certified seed of certain crops, mainly herbage species.</li><li>• <i>Hops income aid</i> – income aid paid to growers who were members of producer groups, and a conversion aid to encourage growers to convert to more marketable varieties.</li></ul>

- *Beef Special Premium (BSP)* – headage payments for domestic male cattle aged at least 7 months. In 1993, second payment introduced for those aged 20 months, restricted to steers from 1997.
- *Suckler Cow Premium Scheme (SCP)* – headage payments (subject to national quota) for female cattle of a beef breed and used to rear calves for meat. From 2000, heifers could make up to 20% of a producer's SCP claim.
- *Sheep Annual Premium Scheme (SAP)* - headage based payments for ewes (subject to national quota).
- *Extensification scheme (EPS)* – for recipients of SCP and BSP rewarding low stocking densities (based upon animals claimed for under BSP, SCP, SAP and dairy cows needed to produce any milk quota held).
- *Slaughter Premium Scheme* – introduced in 2000, headage payments to support cattle producers.
- *Veal Calf Slaughter Premium scheme* – premium on calves slaughtered between 1 and 7 months of age.
- *Dairy premium and Dairy additional premium* – introduced in 2004 to compensate for intervention cuts.

### Cross Compliance

All farmers claiming the Single Payment are required to meet cross compliance conditions. These conditions are designed to ensure good farm management practice and encourage responsible land stewardship. There are 3 sets of requirements, all of which farmers must meet in order to receive direct payments in full:

- A range of already existing EU standards known as Statutory Management Requirements (SMRs), which cover aspects of environment, public, plant and animal health and welfare. SMRs were introduced in a staged process from 2005 to 2007.
- Maintenance of land in Good Agricultural and Environmental Condition (GAEC). The CAP Regulations set out a framework of GAEC standards, within which each Member State decides its own detailed rules at either a national or, as in the UK, a regional level.
- Maintenance of 2003 levels of permanent pasture within each Member State.

### *Statistical & methodological information*

The analyses presented here uses SPS field data provided by the RPA together with the imputed datasets from Defra's June Survey (often referred to as the 'Census'). The June dataset covers all holdings, whether claiming SPS or not, and relates to a very similar point in time (beginning of June as opposed to mid-May for the SPS data). Hence comparisons between the two datasets should pinpoint land that is not covered by the SPS.

This analysis involves the statistical matching of two separate datasets (the June Survey and the SPS) and is therefore subject to a degree of statistical uncertainty. In particular the June Survey data are from a sample survey and are therefore subject to statistical uncertainty, as indicated by the confidence limits on the Statistical Notice. The geographic resolution of the June dataset may also be an issue; a single OS co-ordinate is assigned to each holding, whereas in reality fields may be widely scattered over a wide area. In many instances this is not a major problem, but it can cause distortion when small areas are examined, or in particular regions (e.g. some upland areas) where, for agronomic reasons, some fields are located at a distance from the main part of the holding.

Matching between the June and SPS datasets can also be problematic for agricultural businesses that have several holding numbers relating to different fields. In this situation there can be confusion over which number relates to which field, particularly when some land is also rented in from another business. For this and other reasons (such as typing errors), approximately 5% of SPS land cannot be matched to the June dataset.

*Further  
information*

Further Information on this analysis can be found on the Observatory website:

<http://webarchive.nationalarchives.gov.uk/20130315143000/http://www.defra.gov.uk/statistics/files/defra-stats-foodfarm-environ-obs-research-sps-uptake09-summary-apr10.pdf>

and

<http://webarchive.nationalarchives.gov.uk/20130315143000/http://www.defra.gov.uk/statistics/files/defra-stats-foodfarm-environ-obs-research-sps-uptake09-fullreport-may10.pdf>

Information on the Single Payment Scheme can be found at:

<https://www.gov.uk/the-single-payment-scheme>