

AGRICULTURAL UPDATE

DECEMBER 2020

BPS 2020 PAYMENTS

Despite the ongoing pandemic, the RPA has proudly announced that it has paid some 80,400 applicants on the first available payment day (1st December) for the 2020 Basic Payment Scheme.

This represents over 95% of claimants. We also understand that approximately 42% of claimants have received Countryside Stewardship payments in full.

All payments received should be carefully checked against your statement of claim, which should be issued later this month. If you have any queries, do contact a member of the Agriculture Team.

GREENING REMOVAL FROM 2021

The Government has announced that from 2021, the greening requirements under BPS will be removed. This means that crop diversification, Ecological Focus Areas and the greening rules in relation to permanent grassland will no longer apply. The previously allowed greening payments will be added to BPS claimants' entitlements.

This is an important change to bear in mind when planning future cropping and will, of course, make BPS applications more straightforward. However, it will be important not to forget your stewardship responsibilities, if any, which include such issues as over-wintered stubbles and extended stubbles - which still affect cropping plans.

For further information, please contact a member of the Agriculture Team.

· Farm & Estate Management

· Sales & Purchases of Rural Properties

· Valuations

· Estate Planning

· Landlord & Tenant

· Farming Agreements

· Basic Payment Scheme

· Auctions

· Compensation & Compulsory Purchase

· Farm Buildings

· Expert Witness

· Planning & Development

· Minerals

· Agri-Environment

· Woodland

· Digital Mapping

· Diversification & Grants

· Employment

· Payroll & Accounts

· Renewable Energy

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DEFRA'S AGRICULTURAL TRANSITION PLAN

The Agriculture Act, 2021 marks the beginning of a seven-year transition to phase out direct payments to farmers by 2027. In the recent Spending Review, the Chancellor confirmed that DEFRA will continue to be funded at £2.4 billion each year for agricultural policy in England until 2024. However, the manner in which payments will be made has altered, with direct payments reducing from 68% of the budget to 34% by 2024, and environmental and animal health issues rising from 23% to 57%.

BASIC PAYMENT SCHEME:

The Basic Payment (which from 2021 will include the greening element) is to have halved by 2024, with payments being reduced by the following percentages:

Payment Band	2021 scheme year	2022 scheme year	2023 scheme year	2024 scheme year
£30,000	5%	20%	35%	50%
£30,000 to £50,000	10%	25%	40%	55%
£50,000 to £150,000	20%	35%	50%	65%
£150,000	25%	40%	55%	70%

Delinked Payments:

From 2024, it is planned to replace BPS with “delinked” payments. These will then be phased out in 2027. Delinked payments may be received even if farmers cease active farming. On this basis, cross compliance will no longer apply, but further standards will be introduced to replace cross compliance.

Retirement Payment:

An exit scheme will be introduced in 2022 to help farmers who wish to retire. The proposal is to offer a lump sum in place of the BPS and delinked payments that might be paid up until 2027. This proposal is still subject to consultation.

ENVIRONMENTAL LAND MANAGEMENT (ELM):

This is a core element of how the Government will pay farmers in the future to deliver “public goods”. This includes actions that contribute towards “Clean and plentiful water, clean air, protection from and mitigation of environmental hazards, mitigation of and adaption to climate change, thriving plants and wildlife, beauty, heritage and engagement”. Implementation of ELM is still a work in progress, with tests and trials on-going. ELM has three core elements:

- Sustainable Farming Incentive (SFI)
- Local Nature Recovery
- Landscape Recovery

The Sustainable Farming Incentive (SFI) will be available to all farmers in receipt of BPS payments from 2022, which will support sustainable approaches to farm husbandry to improve soil health, enhance hedgerows and promote integrated pest management. This scheme will be launched in full from 2024.

The Local Nature Recovery Scheme is for actions that support and deliver local environmental priorities and local nature recovery. This scheme will require a greater level of improvement than SFI, with agreements available from 2024.

Landscape Recovery has the highest requirements through the long term change in use of land for landscape and ecosystem recovery.

Countryside Stewardship:

CSS will continue to be available for existing and new applicants until 2024, with the last new applicants being accepted in 2023. It should be possible for those starting in CSS after January, 2021 to transfer to the new ELM Scheme.

FURTHER SCHEMES:

In addition to the above core elements, additional grant aid is likely to be available for further schemes to include Catchment Sensitive Farming, Farmers in Protected Landscapes, Tree Health, Woodland Creation and Support, animal health and welfare, etc.

DEFRA's Agricultural Transition Plan is the most fundamental change in Government agricultural policy since 1947. Now is the time to consider how your farming business is to operate in future years under the revised schemes.

We will continue to provide you with updates on the new proposals as they become clearer.



NEW EQUINE MICROCHIP LEGISLATION

From 1st October, 2020 it became mandatory for all horse, pony and donkey owners in England to have their animals microchipped.

The information will be held in the Central Equine Database and will enable the tracking of animals. Those that do not microchip their animals could face sanctions including a fine from the local authority.

Registration is available via the Digital Stable: equineregister.co.uk/home.

Horses that currently have passports are probably already on the database, but it would be worth checking that this is the case.



CHRISTMAS & NEW YEAR OPENING TIMES

Monday 21st December – Open 9am to 5.30pm

Tuesday 22nd December – Open 9am to 1pm

Wednesday 23rd December - Friday 1st January – Closed

Monday 4th January – Normal opening hours.

The Agriculture Team would like to take this opportunity to wish you all a very Merry Christmas and a happy and profitable New Year.

STAFFING UPDATE

Welcome to Lucy Kernon, who joined the Agriculture Team in November 2020 as a Graduate Surveyor. Lucy grew up locally near Purton and studied Rural Land Management at the Royal Agricultural University.

We are very sorry to report that Chris Graham, a Partner in the Agriculture Team, will be absent from the office for the foreseeable future due to ill-health.

Chris is very grateful for the many kind wishes that he has received. We appreciate your understanding as the other Team members pick up his workload during his absence.



Our Agricultural Team: Mark Hill, Christopher Graham, Paul Oughton, Stuart Millsom, Graham Singer, Peter Kirby, Amy McDonald, Anthony Wright, Richard Dell, Emily Shorter, Aaron Wilson & Nicola Windell.

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