



Rural Payments
Agency

FAS Adviser Events March 2020

CS/ ES Update

Purpose of this session

- To outline some of the improvements that have been made or are planned for delivery of CS and ES
- To provide an update on current performance of the agri-environmental schemes (Countryside Stewardship and Environmental Stewardship)
- To provide an update on the current application process for CS agreements to start next year

Background

- **1 October 2018** - RPA takes over operational responsibility for Countryside Stewardship and Environmental Stewardship.
- **July 2019** - Treasury funded payments made for 2015 – 2018 CS and ES scheme years..
- **1 December 2019** - Payment window opens for CS and ES 2019. Advance and balance payments rolled into one payment
- **11 February 2020** – Application round opened for CS agreements to start from 1 January 2021.

Payments

CS/ES 2019 Claims

- By 29 February, over £150 million paid out to farmers – more than two and a half times the value in the previous year.
- Full payments arriving with customers four months earlier than last year.
- 77% of ES claims paid, worth a total of £133 million.
- 37% of CS claims paid, compared with 19.5% this time last year.
- Good progress being made with capital claims.

2020 CS agreements

- Aim to have 95% of agreements finalised by Mid-March. Prioritising time-critical agreements – Uplands, Wildlife and spring sown options.

BPS

- Nearly 99% of customers paid £1.76 bn.
 - The Government has confirmed the level of funding available for BPS Direct Payments for 2020 is the same as for 2019 and it intends to set the exchange rate at €1 = 0.89092. This is the same as last year.
-

Policy Development

- Manifesto commitment to maintain overall agricultural funding for life of parliament.
- BPS payment likely to be cut from 2021 onwards and reduced to zero by 2028.
- De-linking possible any time from 2022 onwards.
- ELM intended to come on-stream 2024/25.
- CS and ES providing transitional support for farmers delivering environmental benefits – stepping stone to a future based on payment for public goods.
- Options for farmers – enter new CS agreement, or extend existing HLS/CS agreements.

Departing the EU and the Withdrawal Agreement

Under the terms of the withdrawal agreement

European regulations and controls will continue to apply to

- All existing CS and ES (HLS) agreements
- New CS agreements that commence before 31st December 2020

These agreements will continue to be administered and controlled as RDPE agreements for their full duration



New CS agreements that commence on or after 1st January 2021 will operate under domestic legislation (UK powers)

- Powers under the Environment Act 1995
- 10 Government Grant Standards apply

These agreements will be subject to the UK control regime

Legislation

- ES agreements and CS agreements with a start date up to 2020 will continue to be based on RDPE/ EU Regulations. Also CS/ES extensions.
 - Most CS agreements from 2021 onwards will be based on domestic legislation Environment Bill 1995 and then Agriculture Bill - simplification possible.
 - BPS 2020 being delivered under the Direct Payments to Farmers (Legislative Continuity) Bill:
 - Funding being maintained at 2019 level. Treatment of exchange rate to be agreed.
 - Appetite to simplify and make penalty regime more proportionate where possible – e.g. Young Farmer evidence.
-

ES/CS extensions

- All expiring agri-environment agreement holders are being contacted with advice on extending their existing agreements.
 - For HLS, NE assesses whether agreement is delivering its intended environmental outcomes and checks for outstanding land transfers of scheme breaches, or SSSIs or scheduled monuments needing to be brought under management.
 - Farmer needs to provide SSSI consent where needed, also supplementary land ownership and control form and common land form where needed.
 - 872 HLS agreements rolled over from 2019. A further 1,583 agreements due to expire during 2020 have been identified as suitable for potential extension and are being contacted.
 - Similar approach to be taken for CS expirees. (1,815 CS agreements due to expire in 2020).
 - Annual agreements, based on roll-over of existing options and no capital items.
-

CS 2021– Scheme changes

- Penalty and inspection regime adjusted.
- Wildlife offers have been made more attractive – wider range of options; holdings containing scheduled monuments are now eligible for all Wildlife Offers; historic options available for all of the Wildlife Options.
- Higher tier application packs available online via RP Portal.
- Remember, e-mailed applications must come from someone with ‘CS submit’ permission, but no wet signature required.
- For agreements starting after January 2021, Higher Tier and Mid Tier agreements will be able to opt early at no penalty if they secure a place in ELM.

Ambition for the future of CS

- Ambitious aspiration to create a more customer focused scheme, delivering real environmental improvements:
 - Promote more online applications;
 - Review and simplify prescriptions;
 - Make agreements more outcome focused – changing role of supporting evidence;
 - Reform penalty regime;
 - Increase mapping tolerances, base more options on land cover rather than land use and simplify cross-checks;
 - Investigate feasibility and benefits of multiple start dates and payment windows during the year.
 - Early termination of ‘new’ CS agreements for ELMs entrants.
-

Time Line - CS 2021 applications

HIGHER TIER

- Application window 11 Feb 2020 – 1 May 2020;
- Deadline to apply for application pack – 31 March.

MID-TIER

- Application window 11 Feb – 31 July;
- Deadline to apply for application pack - 31 May (paper), 30 June (online);
- Wildlife offers – apply for paper application pack by 31 May, no deadline for online applications;

OFFERS MADE FROM END OCT ONWARDS.

HEDGEROW AND BOUNDARY GRANTS

- Application window 11 Feb – 1 May. Offers made from 1 June onwards.
-

Time Line - CS/ES 2020 Annual Claims

Remember to submit your annual claim

- **12 March** – -annual claim window opens.
- **15 May** - deadline for submitting annual claims.
- **1 June** - deadline for amending claims without penalty.
- **9 June** – final deadline for submitting claims with penalties.
- CS and HLS capital claims open year round.

More ES claim forms being sent out by e-mail



Key dates: Basic Payment Scheme (BPS), Countryside Stewardship (CS) and Environmental Stewardship (ES)

	2020												2021												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul						
Basic Payment Scheme	1 Jan: BPS 2020 scheme year begins												31 Dec: BPS 2020 scheme year ends												
Making a BPS application (including young farmer payment and application for new entrants) / Making a CS/ES Revenue Claim			◆ 12 Mar: BPS application window and CS/ES Revenue claims submission period opens																						
					◆ 15 May (Midnight): BPS 2020 application, entitlements transfer and applications to the national reserve deadlines. CS/ES revenue claims deadline (without penalty)																				
					◆ 1 June (Midnight): deadline for making certain changes to a submitted BPS application or CS/ES revenue claim without penalty submitted before 15 May																				
					◆ 9 Jun (Midnight): BPS late application and CS/ES late revenue claim deadline																				
Payments													RPA makes BPS and CS/ES 2020 payments by 30 Jun												
CS Capital Claims	Open for capital claims all year												Open for capital claims all year												
ES HLS Capital Claims	Open for capital claims all year												Open for capital claims all year												
Countryside Stewardship (2021 Applications)																									
Higher Tier			◆ Application pack deadline: 31 Mar (paper and online)																						
	11 Feb	Application window		1 May													Agreement offers sent out								
Mid Tier													◆ Application pack deadlines: 31 May (paper) & 30 Jun (online)												
	11 Feb	Application window				31 July													Agreement offers sent out						
Wildlife Offers													◆ Application pack deadline: 31 May (paper) or apply directly online by 31 Jul - no need to request an application pack for online applications												
	11 Feb	Application window				31 July													Agreement offers sent out						
Hedgerow and Boundaries	11 Feb	Application window		1 May													Agreement offers sent out								
Woodland Tree Health	Open for applications all year												Open for applications all year												
Woodland Management Plan	Open for applications all year												Open for applications all year												
Woodland Creation	Open for applications all year												Open for applications all year												
Crop diversification																									
Cropping and fallow period					1 May	30 Jun																			
Nitrogen Fixing Crops					1 May	30 Jun																			
Ecological Focus Areas																									
EFA Catch crop period	Catch crops must be established by 20 Aug												Must be retained until at least 14 Oct												
EFA Cover crop period	Cover crops must be established by 1 Oct												Must be retained until at least 15 Jan												
EFA Fallow period	1 Jan					30 Jun																			
EFA Nitrogen fixing crops					1 May	30 Jun																			
EFA Hedges and trees in line	EFA hedges and trees in line must be present all year												Must be present all year												
EFA Buffer strips and field margins	EFA buffer strips and field margins must be present all year												Must be present all year												
Environmentally sensitive permanent grassland	Environmentally sensitive permanent grassland must be retained all year												Must be retained all year												

Key Messages

- By 29 February, over £150 million was paid out through CS and ES
- Customers can expect to receive full payments by the end of June 2020.
- The application window for this year's simplified CS scheme is open
- Farmers and land managers with an ES or CS agreement expiring this year can sign up for a new agreement to start in 2021
- Government is urging farmers who are new to stewardship, or have an expiring agreement, to enter into a new CS agreement so they can continue delivering benefits on their land.
- Those who sign up to new CS agreements starting after the 1 January 2021, and who wish to enter the new Environmental Land Management Scheme, will be able to leave their agreements at agreed exit points, without penalty.
- The claim window for customers with existing CS and ES revenue agreements will open in March. Customers should submit their claim for 2020 payment as soon as they are able to and ahead of the 15 May deadline.
- The application window for BPS 2020 will also open in March and RPA encourages all claimants to submit applications as soon as they are able to.
- The level of funding available for BPS Direct Payments for 2020 will be the same as for 2019, with the rates for payments to be confirmed later this year.