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# AGRI-BIP NEWSLETTER

## Single Payment Scheme – The Saga Continues

With the **16<sup>th</sup> May deadline** almost upon us for SP5 Single Payment Scheme Applications, farmers will have recently received **more** guidance from Defra on completing the forms. I don't know about you but it feels like we've been running a marathon over the last year. The avalanche of booklets and information required to understand the ramifications of this episode of CAP Reform has been endless. Farmers could be forgiven if on May 17<sup>th</sup> they let go a mighty sigh of relief and disappear off into the fields for the summer!

We anticipate that before the end of the year farmers will be told what level of Single Payment they are likely to receive and in 2006 they will actually get the payment. Let's hope it's nearer to February than it is to June. In many ways May 16<sup>th</sup> is more about starting the marathon than it is finishing it. The forms have been a distraction for some time and the real need is to examine the farm business activity to determine how best to run the future business without any animal or crop subsidies.

For many farmers cashflow issues will become increasingly important as the year progresses, given none of the old subsidy payments will arrive. Beef producers will have already seen less money than anticipated in recent weeks with the almost 30% scale back on beef Special Premium Scheme claims. It's not just income which will determine cashflows, increases in many inputs, due to the rise in oil price, will also put pressure on cashflows. Fuel prices, oil prices, fertiliser prices are all getting out of hand, I recently heard red diesel quoted at 36p per litre!

So in the summer, whilst it would be nice to retreat into the fields it will be a time to forward plan the route for your business, and that is the bit that Agri-BIP can offer some assistance with through our various projects. Please, once May 16<sup>th</sup> has passed do not just think well that's the job done, because actually it has only just started.

**Stewart Horne**  
**Manager**

## Foot and Mouth Disease and Set Aside/Permanent Pasture Derogations

During 2001 some farmers affected by Foot and Mouth Disease placed more than 50% of the land into set aside. These farmers now have more land classed as arable than they otherwise would have. The RPA have announced that farmers may count just 50% of their total Arable Area Payment Scheme eligible land in 2001 as being set aside in that year, and treat the rest of the land that was set aside in that year, as permanent or temporary grass, depending on when the grass was established. Any farmer who wishes to take advantage of this concession should include a covering letter with their Single Payment Scheme application form.

## Update on Set Aside

Further to the handbook and additional guidance, there have been a number of changes that have been recently announced.

Firstly, to clarify the situation, permanent pasture is land, which has grown grasses or other herbaceous forage, which is self seeded or sown and which has not been included in a crop rotation for five years or more. Furthermore, has not been set aside during this five year period under the Arable Area Payment Scheme or the Single Payment Scheme or has been taken out of production under some agri-environmental options.

Secondly, herbaceous forage is now considered to be all herbaceous plants traditionally found in natural pastures or normally included in mixtures of seeds for pastures or meadows in the United Kingdom, whether or not used for grazing animals. The important change here is that this excludes any types of kale, fodder rape, forage brassicas, forage maize, any types of cereals, whether grown for silage or for other forms of forage. So herbaceous forage is now grass only. This means that for some people their set aside calculation should be re-checked, to ensure that you now fit with this new guidance. It may be that the SP5 form has been submitted under the old definitions, which will mean that it will require a change. This can be done by writing to the RPA and explaining that the guidance recently issued has changed the situation on your farm, and you wish to alter the figures submitted.

The relationship between agri-environment schemes and permanent pasture has also changed in recent publications. Any land that is taken out of production under Stewardship 6 metre margins, 2 metre grass margins, 2 metre beetle banks or pollen and nectar sources, or under Arable Stewardship 12 metre grass margins, beetle banks, wildlife seed mixtures, pollen and nectar sources will mean that land is not permanent pasture, even if it's been down to grass for longer than five years. It should be counted as **arable land** for the calculation of your set aside entitlement and can be set aside. However, you should be aware that if you use land that is in an agri-environment scheme as set aside, this might result in your Agri-environment Payment being reduced for the area of land you choose to use as set aside.

The permanent pasture five-year period has finally been clarified. When considering if your land is permanent pasture, for the purposes of the Single Payment Scheme, you should consider its status on the 15<sup>th</sup> May of each year. This means that land that has been down to grass or herbaceous forage since the 15<sup>th</sup> May 2000 is permanent pasture on the 15<sup>th</sup> May 2005. The 15<sup>th</sup> May 2003 classification, means land that has been down to grass or herbaceous forage since 15<sup>th</sup> May 1998 it is again classified as permanent pasture.

## **SP5 Forms still not arrived?**

Over the weekend of the 23<sup>rd</sup>, 24<sup>th</sup> April the Rural Payments Agency have made the SP5 forms available to download. If you have not got the forms yet and do not have any Internet access, we at Agri-BIP can download these forms for you at Okehampton.

## **BRITISH CATTLE MOVEMENTS SERVICE (BCMS) AMNESTY**

The BCMS are having an amnesty for the return of passports belonging to cattle that have died on farms. If you have any passports that relate to cattle no longer on your holding, they should be returned. A cross check of cattle statements against herd records and cattle actually on the ground, will allow any dead cattle to be removed from the cattle tracing system without penalties. Remember the Single Payment Scheme cross compliance now applies to BCMS record keeping. This amnesty is open until the end of June this year and any chance to clean up your records should not be missed.

## **COMPUTER TRAINING FOR FARMERS**

The necessity for farmers to keep computerised records and access information online has led us at Agri-BIP to develop a series of 3 day computer courses designed specifically for use on the farm.

We have put together a program of training to cover subjects that are now proving to be essential to farming and the effective running of the business. By developing these skills, farmers can, for example, undertake online applications, update reports easily and quickly and keep up to speed with the ever-changing Government rules and regulations.

### **FOR BEGINNER & INTERMEDIATE LEVELS**

USING A COMPUTER	1 day
INTERNET & EMAIL	3 days
WORD PROCESSING	3 days
SPREADSHEETS	3 days

(Average 1 day per fortnight)

On days 1 and 2 we will introduce the subject and build the skills necessary to move on to day 3 when the business related topics will be covered. On completion of day 3 delegates will take away their own personalised documents to use and develop in their own time for their own business. Examples include:

Cattle Passports on-line  
Cross Compliance Soil Management Plans  
Understanding & navigating the DEFRA website  
Producing & Updating Waste/Nutrient Management Plans  
Creating and Updating Cash Flow Forecasts  
NVZ Record Keeping  
Report Writing

In most cases, courses are free of charge.

For more information, please contact Jo Walton in the office on  
**Freephone 0800 592872.**

**Vocational Training Scheme**  
**Single Payment Scheme and Entry Level Scheme**  
**Workshop Schedule**

If you would like to attend a Single Payment Scheme workshop, we have a number running over the next few weeks as detailed below. If you are some distance away from a scheduled meeting, give us a call and we will try and put a meeting on in your area.

10.05.05 Dupath Well Farm, Callington  
11.05.05 South Molton Community Info Centre  
12.05.05 Crown and Sceptre, Holsworthy

Entry Level Stewardship - First quarterly deadline on **May 31<sup>st</sup> 2005.**

04.05.05 Eagle House, Launceston  
05.05.05 The Dartmoor Lodge, Ashburton  
17.05.05 Mid Devon District Council, Tiverton  
18.05.05 South Molton Community Info Centre  
24.05.05 West Devon BIP, Okehampton  
26.05.05 Crown and Sceptre, Holsworthy  
31.05.05 Millennium House, Pensilva  
02.06.05 White Hart, Modbury  
07.06.05 Westberry Hotel, Bodmin  
08.06.05 Exford Village Hall  
09.06.05 Beambridge Hotel, Wellington

These workshops are run in conjunction with the South West of England Landbased Colleges VTS Scheme. This funding package requires us to make a small charge of £10 inc VAT.

For more information, contact us in the office on  
**Freephone 0800 592872.**

**Spring into Business**

Following a successful workshop at Philip Warren's premises in Launceston last Thursday when attendees went away buzzing with ideas on the in's and out's of retailing meat, the following 1 day workshops/events are planned during **May / June / July** as a follow up.

- 1. Marketing your own Farm Produce**
- 2. Marketing Woodland Products**
- 3. Regulations that apply to the preparation and sales of meat products**
- 4. Using IT (e-mail, internet, websites) to increase Business Profits through increased sales.**
- 5. Financial systems for diversified businesses**
- 6. Telephone techniques to turn casual enquiries into sales.**

For more information on these workshops, please contact us in the office and register your interest. No charge will be made for these workshops and funds are available to help with travel expenses and child care.

Contact us in the office on  
**Freephone 0800 592872.**

**The Entry Level Scheme Applications**

At the time of writing the online application software for the Environmental Entry Level Scheme is still unavailable. Farmers who wish to apply early i.e. before the May 31<sup>st</sup> deadline (first deadline) for ELS are using the manual method. The advantage of the online method is the ability to easily compare different options to determine points required on individual farms.

This allows farmers to develop the most appropriate options for their farming system but if you wish to move fast on ELS then a manual application, although more cumbersome, is the only option at present.

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