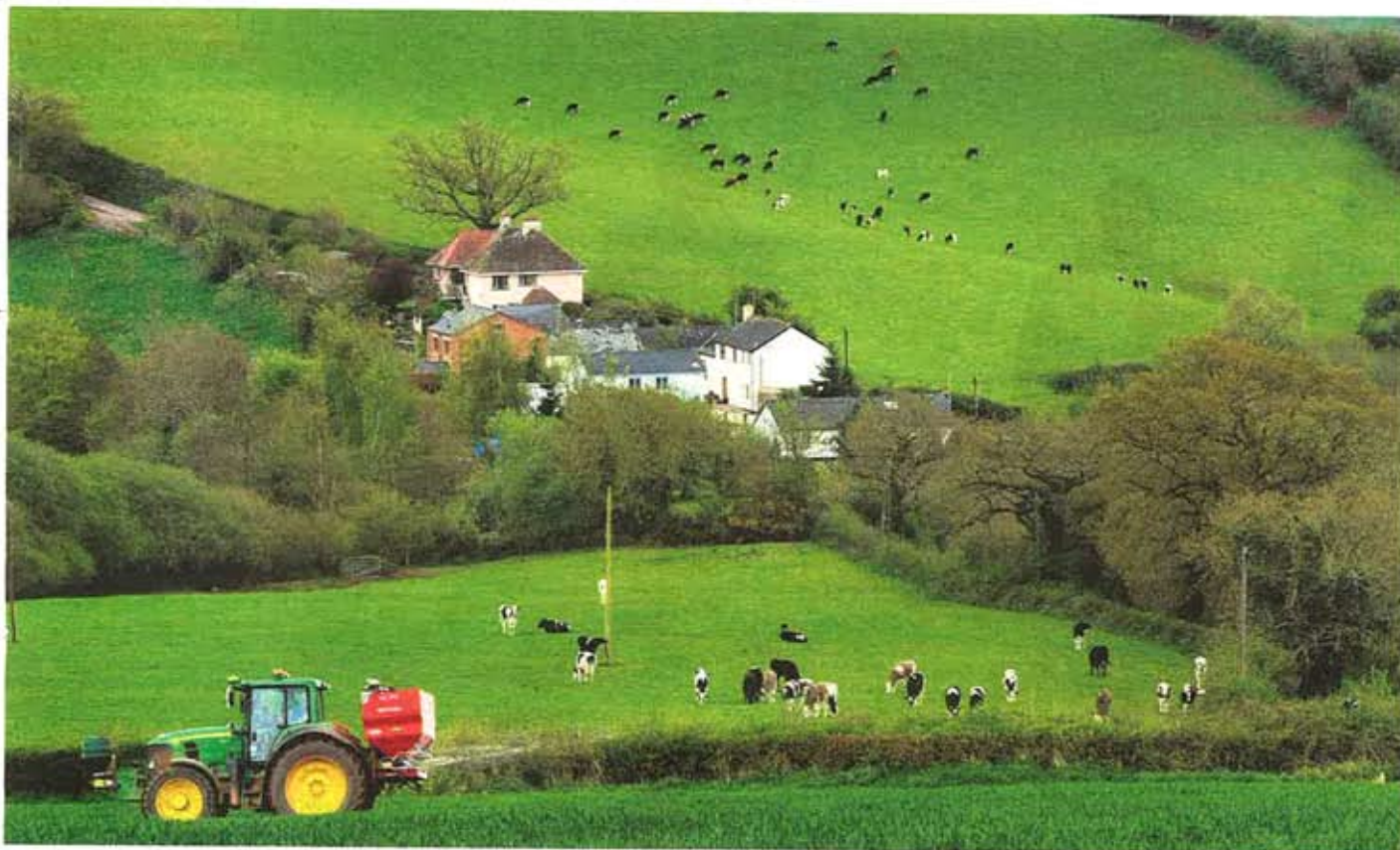


Getting up to speed with online BPS claims and entitlement transfers



Townsend Chartered Surveyors is advising farmers to start early when it comes to making their Basic Payment Scheme claims online

The good news is that, when the online transfer system works, it will enable agents to identify issues with vendors before a sale proceeds and reduce complications that have to be sorted out after the deadline, avoiding vendors making mistakes and contractually having to pay compensation to purchasers for lost BPS claims.

The bad news is that it is not yet working. Whilst online transfers have been taking place, the latest informal and verbal advice given by the RPA (subject to change and as a result unreliable if not in writing) is that when one has "pressed the button" to transfer it is irreversible without both parties' agreement and the transferee actually actioning a transfer back. Therefore there is no chance for a transferor to "retract" an application to transfer at a later date, which they could previously do up to the point the RPA confirmed the transfer in writing. Therefore great care will be needed to avoid mistakes.

Theoretically vendors will be able to be paid out a lot quicker than under the old scheme, whereby it took at least six weeks for a transfer to be confirmed and often much longer. The bad news is that this is not yet working. Again, based on verbal and unaccountable comment from the RPA, the current position is as follows:

1. No-one can rely on the online transfer as shown on the screen, even though it is

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taking place almost straight away and transferees are seeing this on their screens.

2. Whilst the RPA's intention is to have an automated letter (not email) sent out confirming each transfer, at the moment the system hasn't been fully tested and manual checks are still taking place after the computer shows the entitlements have been transferred, before a manually produced letter is sent out. Therefore great care needs to be taken and one can see a number of complications could be produced if people unwittingly rely on the on-screen information without first receiving written confirmation.

3. The confirmation of transfer letter will be sent to the individual who "pressed the button". Therefore if it was an agent actioning the online transfer, they will receive the letter.

4. Letters, as yet, are not being sent out and will not be for another two weeks. As with all predictions in respect to the capacity of the RPA online computer system, it should always be taken with a "pinch of salt" as clearly they are working things out as they go along.

5. There is a computer glitch which the RPA says will be

sorted out by the end of March. This involves the usage year given on screen for the entitlements. If it shows 2015 this indicates the transferor has not yet been paid, however the computer glitch means that in some cases people will have been paid, but the computer hasn't caught up with it yet. If it is showing a 2016 usage year, theoretically this means that the entitlements are to be confiscated. However, again there is a computer glitch with this. For example 50% of our BPS claim clients have 2016 usage year, but on further investigation with the RPA, in reality this query only applies to one or two and only for some of their entitlements. If the usage year is 2017, then theoretically one can proceed with the transfer as the computer is showing that the entitlements were successfully activated in 2015. We will wait to see as and when these glitches will be sorted out, but again this adds to the problems building up, creating similar market conditions as last year when there was heavy trading of entitlements as we approached the deadline. The official response to a lot of these problems is that claim statements are now being sent out, and that the entitlements statements will follow which will resolve these problems, but of course this still leaves the question as to when.

6. Another query that has developed is, if a "new farmer" has not made the Active Farmer declaration at the

time the button is pressed to transfer entitlements to them, the transfer will be cancelled. No-one yet knows what will happen with a cancelled transfer, and whether there will be any problems then for the vendor, i.e. will the entitlements be available to re-transfer immediately to someone else. For obvious reasons no-one is actively trying to test this part of the online system. Again the latest verbal information from the RPA about this is that the online transfer should update the computer immediately the application to transfer is made. However again one must keep one's "fingers crossed" there are no glitches with this.

Online BPS claims

Again, the good news is that the mapping is impressive, although one can only print out one parcel at a time, and there is no area measurement tool. However it is the mapping that is causing the most problems, with online mapping changes carried out in 2015 using the online Siti Farmer system, in our experience, still not showing, together with similar problems with parcel and boundary changes that were submitted using RLE1 forms in 2015. Not only are amendments missing from 2015, but whole fields. With the current online system one cannot add new parcels. The latest information we have is that there should be a way of doing this shortly, although initially it appeared we would have to

submit paper RLE1 forms. The main problem for everyone is when the glitches are going to be sorted out and how much work one does with ones' claim now, rather than waiting for these problems to get sorted first? If one waits, one may be waiting forever; if one starts work now, the first process is to check the 2014 information with what is now online. One could check it now, but with these glitches being sorted out, the next day there could be changes as part of the system is updated, and one will have to re-check everything again. In some cases this may not be a problem, if one is able to do all the work and submit it the same day. However in so many cases different people have to check different parts of the form within a business, and of course if using an agent, forms are sent out to the clients before submission, having been prepared, for the clients to check.

The advice has to be to start early, of course, as no-one as yet knows what complications are going to be ultimately created by the RPA, bearing in mind effectively they are in a worse position than they were last year, now with last year's problems to sort out, together with whatever new problems are arising this year.

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