

# The price for entitlements is changing every day

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We have seen great variance in the price for entitlements this season.

The trading of Non-SDA entitlements started in August last year at £190 per hectare plus VAT, however the price rapidly rose to £240 in October, and by November was at £250.

From the beginning of December the price declined slowly until the first week in March, when it bottomed out at £180. We then saw a "bounce-back" from mid-March, rising rapidly and peaking by the end of March at £210. This was followed by a decline in prices in the first half of April and by mid-month it had bottomed out again at £155, with further fluctuations until the end of the third week in April, when it peaked at £185, but then again declining on a fluctuating basis to £150-£160 by the end of April (28.4.16).

Non-SDA where no VAT is charged has been achieving higher prices throughout, and also smaller lot sizes as well. SDA has been in reasonably short supply, and has been trading at between £195-250 depending on lot sizes and whether the Vendor is VAT registered.

With only a week and a few days left before the deadline, at the time of writing on April 28 we have only received one written confirmation from the RPA of a transfer of entitlements agreed last autumn and actioned online on the 6.4.2016 for a particular client who made a concerted effort to complain! There is not expected to now be a flood of these confirmation emails, however it is vital for anyone involved in transferring entitlements

to understand that the RPA has made clear one cannot rely on an online transfer as having been processed and approved, even though on-screen it can instantaneously show that entitlements have moved.

It is merely an application to transfer and you still have to wait until there is written confirmation, as we are told the RPA are carrying out manual checks to ensure that the computer is working properly. When entitlements are transferred online, a message comes up with this warning; "Entitlement transfer request received. We will contact you to confirm the transfer."

Therefore, the message to those transferring entitlements must be do not rely on what you see on-screen in respect to entitlement transfers, and this is now the conclusion of those using the online system for claims as well as transfers.

The online system has made it easier to make applications for claims and transfers of entitlements but anything you see on-screen ultimately you cannot rely on. This is being repeatedly confirmed as probably 50 per cent of farmers still have a usage year of 2016 showing for their entitlements, and we continue to have to individually check transfers and claims so that the RPA can confirm that this is merely a computer glitch and not a real problem. We now also have cases of "glitches" with the usage year of 2017, which is the date the entitlements should have in order to show that they can be transferred or claimed on, where there have also been errors made by the computer. In one case the computer is showing additional entitlements never owned by the claimant; and in another case, entitlements have no designation as to whether they are Non-SDA/SDA/Moorland.

Our experience is that we

are getting helpful responses from the RPA designated team investigating the issues (which is only available to agents) for simple queries, but they are unable to spend time looking any more deeply into more complicated problems, or are advising that we will have to wait anyway until after May 16 for further information.

Thankfully one team anyone can use to add missing land parcels (as long as they have been claimed on by someone before) is accessed by emailing [ruralpayments@defra.gsi.gov.uk](mailto:ruralpayments@defra.gsi.gov.uk) with a heading BPS 2016 - Add Land. If a parcel is missing, in our experience they have been responding relatively quickly and adding these online for you.

Some Commoners, especially in the New Forest, remain totally 'blind' about their BPS claims, now having to make a second year's claim without any reliable information. Maps have not yet been produced for the New Forest, so they do not know the eligible area, and they also do not know what entitlements they have had activated last year, as they have not yet received their 2015 payment. This is unfortunately a problem which is only increasing in size and nature for the RPA to sort out. This will add to the compensation claims now being made, following the RPA having to rectify the incorrect approach they took with commons since 2005. As if claimants who have some commons land are not being penalised enough, those who want to sell entitlements do not know how many they can or cannot sell, as they have not been paid or seen what entitlements were activated last year.

The latest heart-breaking news, however, is that farmers who have not yet been paid for 2015 and who had consequently made a claim under the hardship scheme, have

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now been informed that they are excluded from receiving the part payment loan, which in some cases would have been worth tens of thousands of pounds, based on 50 per cent of their overall claim for 2015, compared with in some cases the few thousand pounds they received in hardship. The people who most need the help are not getting it.

As an agent trading in entitlements, we speak to many fellow agents making claims, and the picture throughout England remains chaotic. It is for this reason that if you are needing to buy entitlements this year you should not delay, as it is highly likely many purchasers have not yet come to the market, relying on being able to trade up until the last minute. They could however suffer, as the market in the last few weeks is always volatile, with prices changing on an almost daily basis.

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