

## FARMING

# Change to claim rules for young farmers

Who is a New or Young Farmer? Land agent and surveyor expert, **Hugh Townsend**, takes a closer look at the specific definitions



**U**NDER English Basic Payment Scheme (BPS) rules, there are only two circumstances in which new entitlements can be issued to claimants by the Rural Payments Agency (RPA), which are to Young Farmers and / or New Farmers.

A New or Young Farmer can apply only once to receive entitlements equal to their total eligible land area minus the number of entitlements they already hold. Young Farmers are also eligible for an additional top-up payment for five years.

It is worth noting that if a person applied once as a New Farmer, they cannot then apply again as a Young Farmer or vice versa.

#### Who is a New or Young Farmer?

The RPA definition for a 'New Farmer' is a person 18 or older:

- Who is in control of a farm business;
- Who was not personally carrying out an agricultural activity in the five years preceding their business's first agricultural activity;
- Whose farm business started an agricultural activity in 2013 or later;
- Who submitted their first successful BPS application no later than two years after their business first engaged in agricultural activity;
- Who makes their first successful BPS application no later than two years after the calendar year in which the business started farming.

A 'Young Farmer' is someone who:

- Is aged from 18 to 40 inclusive;
- Is in control of the agricultural business for which they are applying;
- Gained control of an agricultural business a maximum of five years

before their first BPS claim.

Here 'agricultural activity' means either producing agricultural products such as grain or farm animals, or maintaining land in a state where it could be used to produce agricultural products. Being 'in control' means having more than 50% of votes or shares of the business.

If a partnership is made up of several New or Young Farmers who together have more than 50% of votes or shares in the business, they can formally agree to vote together, and then apply for entitlements for the partnership together.

A person who has (or whose business has) recently sold entitlements cannot apply for more as the RPA deems this to be 'artificial'. This is because otherwise when a business changed hands, it could sell all of its entitlements on the open market and then claim a new batch at no cost.

#### The Young Farmer Payment

In addition to applying for new entitlements, anyone meeting the Young Farmer definition can also claim an additional top-up payment. This equates to up to 25% of the payment, excluding greening, on up to a maximum of 90 ha, and it can be applied for each year as part of the annual BPS claim.

In theory, once accepted, an eligible Young Farmer can continue to claim the payment for five years even if they then cease to meet the age requirement, i.e. if a person successfully applies for the payment when they are 40, they can then claim it until they are 45.

acted as the show's president in 2019.

Speaking after his election, Mr Fursdon said he is looking forward to putting Devon's agricultural capabilities firmly on the priority list for what will be the 125th Devon County Show when it returns to Westpoint, near Exeter, from May 21-23.

He explained: "The Devon County Show is an ideal platform for the agricultural community to showcase



> The Agriculture Bill will bring changes to the way farmers, including new and young entrants, are paid for the work they do in producing food and delivering public goods

However, we must be aware of the upcoming changes to the way payments are to be made to farmers which are currently being proposed in the Agriculture Bill, and the BPS handbook makes no promises beyond 2020. In the event of de-linkage in 2022, for example, it is not clear how the Young Farmer top-up would be handled.

#### What evidence is needed?

To claim new entitlements or the Young Farmer Payment, the claimant must submit a 'Young and New Farmer form' which requests basic details of their business (address and SBI number) and confirmation of whether the applicant is a New or a Young Farmer.

In addition there is an annex to be completed by an accountant or solicitor, called an 'Accountant's Certificate', where they must confirm more details about the structure of the business.

The claimant must also attach:

- Evidence that they control the business, such as a partnership

agreement or appropriate set of business accounts;

- Proof of their date of birth, such as a birth certificate or passport;
- For New Farmer applicants, evidence of when the business was set up, for example a tenancy agreement or tax registration document;
- For Young Farmer applicants, evidence of when the claimant took control of the business, such as evidence of a change to a partnership document or proof of inheritance.

The rules for claiming the Young Farmer Payment after the first year have changed for 2020. A new Accountant's Certificate need only now be submitted with the annual claim if the business structure has changed, for example if someone joins or leaves a partnership; otherwise, a certificate only needs to be submitted in the first year.

This is significantly simpler than the old rules which required a new certificate, or a signed letter from an accountant saying the business' structure has not changed, every year the Payment was claimed. For

new entitlement applications, this evidence need only be submitted once, as new entitlements can only be claimed once.

As farm business structures vary, so does what evidence is necessary or appropriate for a given business. Therefore, professional support for the application is useful as this ensures that the correct documents are attached. It should also be noted that the RPA will not accept evidence submitted after May 15.

With de-linkage expected sometime after 2021 these applications should be given extra attention as one may have a chance of benefiting from de-linkage payments. No announcement has been made as yet, however, about the reference period, or if these newly allocated entitlements will qualify.

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## Lord Lieutenant takes up the reins as Devon County Show president for 2020

ORGANISERS of the Devon County Show have revealed their new president for 2020.

David Fursdon, Lord Lieutenant of Devon, was sworn into the top role at the Devon County Agricultural Association's (DCAA) recent annual general meeting.

A long-standing member of the DCAA, he takes up the reins from Sir Harry Studholme, former chairman of the Forestry Commission, who

its past achievements as well as the great strides that are being made towards the future.

"Devon really is at the forefront of tomorrow's farming. Farmers in the county are forward-thinking and are increasingly committed to implementing responsible and sustainable technologies as well as to producing healthy food."

Working in agriculture and rural property across Devon for 30 years,

Mr Fursdon has a long history in the sector. An honorary fellow of the Royal Agricultural University, his wide-ranging voluntary work includes chairing the Devon inquiry of the Royal Society of Arts' (RSA) Food, Farming and Countryside Commission. He also chairs the board of progressive company that uses technology to try to improve farming sustainability.

Mr Fursdon added: "As a member

of the DCAA, I have been coming to the Devon County Show for over 40 years. It's always been one of my favourite events on the Devon calendar.

"I love the variety of activities at the show, and the way that it encourages interaction and introduces people of all ages to the rural values that form the very fabric of this county. I go to many shows, but Devon County always has a special buzz about it."