

01392 823935
Exeter Livestock Market EX2 8FD
www.townsendcharteredurveyors.co.uk

BPS | CARBON | WATER

ENGLISH BPS DELINKED PAYMENT – FURTHER INFORMATION RELEASED BY RPA

The RPA have provided further information about the BPS Delinked payment. Whilst payment rates are yet to be confirmed, other important detail has been given:

1. The reference period for Delinkage is now 2020-2022. This means that entitlements bought for the current scheme year will be factored into the Delinked payment.
2. Each year's Delinkage payment will be based on the average payment received during the three claim years of the reference period, with the annual reduction applied between 2024 and 2027 (only 2024 confirmed so far).
3. You do not need to have been farming prior to the reference period.
4. This means even if you begin farming this year, you will still be able to claim some Delinked payments, one third of what you would receive if you had claimed throughout the reference period.
5. A successful BPS claim must be submitted in 2023 for Delinkage to be claimed, but the size of this claim will not be factored into the calculation.
6. Breaches and penalties, including for greening, cross compliance, overclaims etc, will not be factored into the Delinked payment.
7. Where an overclaim has been made during the reference period, the claim will be reduced to the actual area for calculation purposes.
8. An application of some kind will be required for the payments. It is not known at this stage if this will be submitted annually, or just once for all payments.
9. If your SBI has changed during the reference period or for 2023, this may affect the payments you receive.
10. Delinked payments are to be treated as income for tax purposes.
11. Delinked payments cannot be claimed when a retirement lump sum payment claim has also been made.
12. On Delinkage, i.e. after 2023, BPS entitlements will cease to have effect and so will be effectively abolished. Given that entitlements have a market value, this may constitute an allowable loss for Capital Gains Tax purposes.
13. Unlike the Retirement Lump Sum, the farming business will still be able to participate in ELMS and other agri-environment schemes.

These proposals apply to the BPS in England only. No similar scheme has yet been announced for Scotland, Wales or Northern Ireland. Cross-border farmers with holdings both in England and other UK nations will, unless such an announcement is made, continue to claim the BPS as normal on their land outside England.

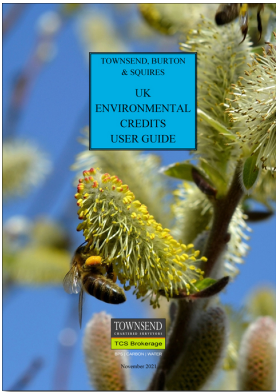
This information for now is drawn from the RPA's initial proposals, and is pending further, more detailed guidance and the creation of enabling legislation, so may still be subject to change.

Professional advice should be taken before relying on this information and if you would like to discuss your particular situation, please contact Hugh Townsend. You will also need to check whether you would be better off buying more entitlements this year.

ERRATUM - RETIREMENT LUMP SUM - NEWS UPDATE - 8.2.22

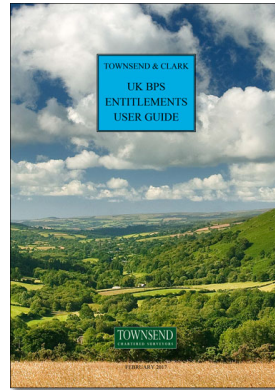
Our news update on the 8th February regarding the Exit (Retirement) Lump Sum payment stated that "any reductions for overclaims, cross compliance breaches, greening penalties etc will be factored into the calculation for all years." Such reductions will explicitly not be factored into the payment calculation. However, where an over declaration was made for a given claim, this will be calculated based on the actual eligible land area found. For information on the Exit (Retirement) Lump Sum, see [here](#).

UK Environmental Credits User Guide



Free of charge eBook is available [here](#). For the paperback edition at £27 including P&P, please email [kdean@townsendcharteredsurveyors.co.uk](mailto:kdean@townsendcharteredurveyors.co.uk).

UK BPS Entitlements User Guide



Still the leading and only publication of its type. To order your free e-copy email kdean@townsendcharteredsurveyors.co.uk



Hugh Townsend
FRICS. FCI Arb. FAAV.



Mark Burton
BA (Hons). MSc.



Alasdair Squires
BA (Hons).



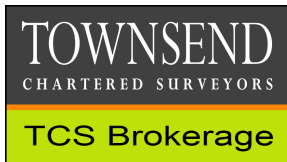
Paul Bradford
MSc. MCIWEM C.WEM



Michael J Steed
MICFor. MCIEEM. MArborA.



Kathy Dean



Matford Centre, Matford Park Road, Exeter EX2 8FD
01392 823935
office@townsendcharteredsurveyors.co.uk
www.townsendcharteredsurveyors.co.uk

BPS | CARBON | WATER

[PROPERTY AGENCY](#) [ESTATE MANAGEMENT](#) [PROFESSIONAL SERVICES](#) [PLANNING](#) [VALUATIONS](#) [TCS BROKERAGE](#) [RENEWABLES](#)
[ENVIRONMENTAL SERVICES](#)

HUGH TOWNSEND FRICS. FCI Arb. FAAV. *Senior Assistant Land Agent* MARK BURTON BA(Hons). MSc.
Assistant Land Agent ALASDAIR SQUIRES BA(Hons). *Consultant* PAUL BRADFORD MSc. MCIWEM C.WEM
Consultant MICHAEL STEED BA MICFor. MCIEEM. MArborA. *Administrator* KATHY DEAN

BPS ENTITLEMENTS The minimum BPS claim size is five hectares for England and Wales and three hectares for Scotland and Northern Ireland. > Unless specifically instructed in writing we are unable to provide advice in respect to the Basic Payment Scheme or any other grants, funding or stewardship

schemes, especially how they may affect a particular vendor's or purchaser's eligibility for the Basic Payment Scheme. VAT is payable on Entitlements traded and VAT will be due on the price agreed. > The 2022 BPS payment rates in England are £233.30 for Non-SDA, £231.60 for SDA and £64 for SDA Moorland. The FDM is no longer deducted. > The 2022 Scottish rates are £228.20 for Region 1, £48.79 for Region 2 and £13.63 for Region 3. > The 2022 Welsh rates are predicted to be £116.86 plus £91.97. Redistributive payment on the first 54 ha. > Northern Ireland have an expected average value of £299.42 subject to historical variation. > The usage rule, other than in England, remains farmers must use all their entitlements in a single application at least once every two years. **CARBON CREDITS** All woodland and peat carbon credits are VAT and tax free. > All credits must be registered, validated, and verified going forward according to the regulations of the appropriate code. **BIODIVERSITY NET GAIN** All biodiversity units are calculated via Biodiversity Metric 3.0. > Number of units in specific lots subject to variation due to multipliers including, but not limited to, distance between sites and development site baseline. > Conservation Covenants to run with the land. > Minimum 30-year term. **WATER ABSTRACTION LICENCES** All licences are subject to requirements of the Water Framework Directive to reduce licensed abstraction in areas where water resources are under stress/abstraction is unsustainable. Transferor/transferee accepts risk of losing part of the licence during trade. **BROKERAGE** - entitlements/carbon credits/ environmental units/licences. > Are offered subject to documentation/contract/submission. > We also only act on a subject to contract/documentation basis when buying Entitlements/credits/units/licences for our clients and do not enter into oral contracts. > Those listed may include lots offered by other agents where prices quoted include an introductory commission payable to Townsend Chartered Surveyors. > Any such comments or statements made by Townsend Chartered Surveyors verbally during the process of buying or selling or otherwise cannot be relied upon unless such advice is provided in writing following receipt of written instructions for Townsend Chartered Surveyors to provide such advice. Any such oral comments or statements do not form part of our brokerage instructions or any transfer contracts. > Townsend Chartered Surveyors cannot be held responsible for any quotes, prices, rates or advice given in light of any future Government reforms.

If you provide us with your contact details, we believe you have given us consent to send you occasional email newsletters on appropriate rural/surveying/entitlement matters. If you would prefer not to receive any such email communication from us, please let us know. We may also send you once a year our Farm Facts leaflet by post. If you would prefer not to receive this, please contact us to opt out. Under the General Data Protection Regulations (GDPR) which came into force on 25th May 2018, you have increased rights regarding the processing of your data, and these are set out on the Information Commissioner's Office website (ico.org.uk) or in the [privacy policy](#) on our website.

This message is confidential. It may not be disclosed to, or used by, anyone other than the addressee. If you receive this message in error, please advise us immediately. Internet e-mails are not necessarily secure. Townsend Chartered Surveyors does not accept responsibility for any changes to any e-mail which occur after the e-mail has been sent. Attachments to this e-mail may contain software viruses which could damage your systems. Townsend Chartered Surveyors have checked the attachments for viruses before sending, but you should virus-check them before opening.

Want to change how you receive these emails? You can [update your preferences](#) or [unsubscribe from this list](#)
