

RPA announce first tranche of dairy fund payments

Last updated: 16 November 2015

Today the RPA has announced that over 10,000 dairy farmers across the UK have been paid their EU dairy fund payment. Most of the remaining c3,000 should see payment made within the next six weeks as various problems are resolved. Over the last month the NFU has held regular conference calls with the Rural Payments Agency to better understand how the EU crisis fund will be paid in the UK and raise member concerns direct. Mark Grimshaw, the RPA's Chief Executive was tasked at NFU Council last month to ensure payments were made as soon as possible to alleviate cashflow concerns on farm.

FAQ's:

Under what regulation can these payments be made?

Regulation EU 2015/1853 was agreed on October 15th 2015. On Thursday 12 November a Statutory Instrument was put in place to cover payments as they are not covered in domestic legislation.

Who will administer the payments?

The RPA is administering payments across all the UK devolved regions. The RPA have received returns for the last quota year (2014/15). They also hold individual production returns for UK producers (c13,000 records) and records of direct sales producers (including around 300 in England). The RPA have married up the processor records with producer records so that individual farmers will be paid accurately.

How will payments be made?

The first tranche of payments were sent for processing on Thursday 12 November landing in bank accounts today. This covers around 75% (or 10,000 dairy farmers) of claimants in England, Wales, Scotland and Northern Ireland and amounts to around £19.2million in total. Farmers will receive an RPA remittance advice stating "EU dairy payment" confirming payment, with the first of these issued on 16 November. There will be no further information provided by the RPA to dairy fund recipients.

How do I check the payment is correct?

The RPA are only issuing the total payment amount on the remittance advice slip. This is based on a flat rate amount per litre of milk production in 2014-15. For England, Wales and Scotland the rate is 0.176ppl and for Northern Ireland the rate is 0.226ppl. The payment is based on production records held by processors. Please check your production records and those held by processors and if you have any payment / calculation queries please contact the RPA on 03000 200 301. The RPA dairy team will have access to the details that led to the payment and should be able to explain how the payment has been calculated.

I have not received my payment?

Around 3,000 payments have yet to be made around the UK with the RPA giving the following as the main reasons for the delay:

- Farmers not being registered with the RPA (RPA has recently written to those they believe were not registered in England)
- Farmers with wrong or no bank details registered with the RPA
- Farmers opting to be paid in Euros
- The dairy fund monies may have been intercepted against a debt identified in records, this could be an SPS or agri-environmental scheme related issue
- RPA continuing to ensure the correct sum is paid into the correct bank account especially where bank accounts have not recently been used

Those in England who are yet to receive payment may receive a letter from the RPA by the end of week commencing 16 November explaining why payment has been delayed.

Why is the euro payment an issue?

Defra and the RPA need official confirmation from the European Commission that they can pay the EU dairy fund in euros. This is in the process of being secured. NFU raised this issue early on in our discussions with the RPA.

I have not received my payment, what can I do?

The RPA will continue to make payments over the coming weeks. First is to check the bank account and look out for the remittance advice slip. There are a number of reasons as set out above why the payment has not yet been made. There may be further contact made by the RPA as set out below for those dairy producers whose CAP payments are administered in England:

Any dairy farmer in England who receives a letter from the RPA and is asked to register on the Rural Payments system or to provide up to date bank account details, is urged to call the RPA's helpline on 03000 200 301 as soon as possible. Farmers in Wales, Scotland and Northern Ireland who are not registered will be added to the Rural Payments system using information provided by the devolved administrations.

Will the EU dairy payment impact on the timing of BPS payments?

Different teams within the RPA are working on these two schemes, thus there will be no impact on the BPS timeline.

What about farmers that ceased production during the last milk year?

The dairy fund monies are based on a defined reference period, so producers that have increased /decreased production since this reference period or ceased production entirely should not see any impact of these actions on the payment due. However if production has changed within the defined reference period, then the amount paid out will be adjusted accordingly. DEFRA estimate the average payment to be £1,820.

What about farmers not registered on Rural Payments online (or in devolved regions)

Farmers will not be paid their dairy fund money until they are registered with the RPA. There are currently around 2,500 unregistered BPS claimants many of which may be dairy farmers. If you are not registered with the RPA please contact them urgently.

Where did the EU Dairy Fund commence?

The Commission has made available €420 million for Member States in order to support farmers in sectors which have been hit hardest by the current market situation. The UK had the third largest national dairy fund envelope, after Germany and France. This overall package of £26.2 million will be shared with the devolved regions as follows:

Devolved region	Value
England	£15.5 million
Scotland	£2.3 million
Northern Ireland	£5.1 million
Wales	£3.2 million

The payments in England and Wales will vary per farmer and based on a flat rate per litre of milk production in 2014-15 (for England, Wales and Scotland this rate is 0.176ppl and 0.226ppl in Northern Ireland).

Useful contact numbers:

RPA Helpline: 03000 200 301

NFU Callfirst: 0370 845 8458