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Convenor to the Public Audit and Post-legislative
Scrutiny Committee
The Scottish Parliament
Edinburgh
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Dear Ms Marra

COMMON AGRICULTURAL POLICY: UPDATE

Please find enclosed the latest monthly report from Scottish Government officials. The report provides information on progress since our last report dated 06 July 2017 and provides information on issues arising over that period.

I have copied this update to the Convener of the REC Committee, Mr Mountain MSP.

I am planning to send the next report at the beginning of September.

Elinor Mitchell

July UPDATE – All figures correct as of 31 July 2017.

2016 Payments

BPS, Greening and Young Farmer

Throughout July we have continued to make payments across Pillar 1 and VCS schemes.

We've now paid around 94% of our 2016 Basic Payment Scheme (BPS); over 99% of Voluntary Coupled Support (VCS) beef payments; and over 86% of VCS sheep payment. The annex to this note provides detailed information of 2016 payment performance to date.

We are continuing to work hard to finalise payments to all farmers and crofters.

European Commission Extension

The Scottish Government wrote to the European Commission on 21 June to request an extension to the end-June deadline for CAP Pillar 1 payments. A copy of the letter can be found at this link. <https://beta.gov.scot/publications/foi-17-01485/>. The Commission responded stating that it did not consider there to be exceptional circumstances this year. We have since provided additional information.

2017 SAF applications

The SAF 2017 window closed as planned on 15 May 2015. The table below outlines the number of applications we have received to 31 July.

2017 SAFs Submitted	
Total SAFS submitted at 15 May	19853
Total SAFS submitted After 15 May (may be subject to penalties)	216
Total number of applications to 31 July	20069

Annual certifying audit

The annual certifying audit forms part of the detailed administrative requirements set by the EC in relation to the disbursement of CAP payments. The conclusions of the latest report noted that there were no major weaknesses in the Scottish Paying Agency's administration of CAP funds for the 2015 scheme year, but a number of recommendations for improvement were made. We will be publishing the audits finding on the Scottish Government web pages. This link will go live on 5 August 2017. <https://beta.gov.scot/publications/foi-17-01537/>

The EC has subsequently confirmed that no financial corrections are required as a result of the audit.

2016 Basic Payments Scheme Payments (BPS)

Progress report for end July 2017

BPS application processing	
Number of eligible applications	17980
This number will fluctuate as applications are processed and some found to be ineligible.	

BPS payments	
Value of payments made (to date)	£356.49m
	€418.28m
BRNs whose payments have been processed (to date)	16923
<p>The above figures include Basic Payment Scheme, Young Farmers and Greening payments.</p> <p>Payments reported here include those that have been committed to the banking system but may not have arrived in customers' bank accounts yet. This information does not include nationally-funded loans that were paid to over 13,000 businesses.</p>	

VCS payments		
Scottish Suckler Beef Support Scheme (Mainland)	No. of payments	5734
	Value of payments	£31.65m
Scottish Suckler Beef Support Scheme (Island)	No. of payments	1234
	Value of payments	£5.5m
Scottish Upland Sheep Support Scheme	No. of payments	930
	Value of payments	£5.8m