

## **Correspondence from NFUS – 2 February 2016**

### **CAP payments**

I write in reference to NFU Scotland's correspondence of 26 January, and the response of the Cabinet Secretary for Rural Affairs, Food and Environment of Friday 29 January.

Whilst we take on board the comments made by the Cabinet Secretary, unfortunately NFUS remains unconvinced that Friday's statement provides any new information beyond what Scottish Government has already provided to Scotland's farmers and crofters.

The Cabinet Secretary is right to suggest that the new, complex CAP system has presented an unprecedented task for implementation. However, I wish to reiterate the point made in my correspondence last week, that 20 months on from his initial statement on implementation, the majority of Scottish farmers still remain completely unaware of when they will receive payment. Indeed, the Scottish Government's entitlement letters – which were supposed to provide clarity and confidence – have led to nothing more than confusion and concern.

NFUS is in no doubt that the Scottish Government's IT staff and team of local officers are working flat out to process applications. However, we remain convinced that the real problems are coming from the top down and that the IT system has proven to be incapable of delivering on any considered satisfactory measure. Time and again, the Scottish Government's actions have not matched up to what has been promised and the situation is now such that NFUS and its members have lost trust in the system being able to operate effectively, to the extent that the Cabinet Secretary's assertions cannot be taken as given.

With the SAF window for 2016 now weeks away from opening the farming industry needs to be able to trust that the application process and the delivery of payments will be achieved this year and not simply be a re-run of what has occurred with the 2015 schemes. The industry also needs to know a realistic timetable for the other payments due to be made this year which includes LFASS, coupled beef payments and coupled sheep payments.

In order to regain vital trust, NFUS feels that the only tool left is for the Committee to make the Cabinet Secretary and his team answer questions, in person, on the clear failings of the Scottish Government's approach towards delivery and which decisions have led to payments being delivered late and in such a chaotic manner.

Key questions NFUS would want the Committee to consider would include:

- In its letter to the Cabinet Secretary dated 3 June 2015, the Committee recommended an immediate halt on re-mapping exercises. NFUS has however been made aware that mapping continued into the autumn, in spite of the Scottish Government's knowledge that this could only delay payments. Why was mapping allowed to continue, and who authorised this decision?

- In the same correspondence, the Committee also advised: *“Once the application process has been completed, and there is confidence that payments will be made on time, it will obviously be important that a lessons learned exercise be conducted to ensure that there is no repeat of this situation in future years.”* NFUS asks whether the Committee is content that this message, and its more specific recommendations have been satisfied by the Scottish Government to date?
- At the Royal Highland Show in June 2015, the Cabinet Secretary promised industry that the Scottish Government would provide regular and proactive updates on the delivery of implementation and payments. However, the only relevant updates received to date have been in November 2015 and at the end of January 2016 – both of which have been in response to significant pressure from NFUS and the RACCE Committee. What new information can or will be offered in the Cabinet Secretary’s promise of weekly updates?
- All the promised timescales to date have addressed the delivery of the Basic Payment Scheme, whilst other payments have been ignored. Taking into account the Cabinet Secretary’s statement that the government is working hard to minimise the impact on the timing of all payments, can the Cabinet Secretary give a clear statement as to when these payments for schemes such as LFASS will be made?
- Finally, over £180 million will be spent on the IT system. How can the Scottish Government justify this cost in light of the perpetual failings of the new system to deliver?

NFUS members trust the RACCE Committee to hold the Scottish Government to account on this issue, which is compounding an already desperate situation in Scottish agriculture.

I do hope you will seriously consider this request, and as ever my team would be more than happy to appear in front of the RACCE Committee to provide further context on behalf of NFUS members if that would be helpful.