

2021 DEGRESSIVITY – EXAMPLE OF CALCULATION

- Main location code in the Fragile area
- Historic stocking density (2009) : $576.70 \text{ lu} / 4,632.27 \text{ ha} = 0.13 \text{ lu/ha}$
- 12% cattle based on declared 2009 animal numbers = 1.35 uplift

Area after non-ring fenced dairy and stocking density reduction:

- 6,349.40 ha category A, more disadvantaged land
- 158.18 ha category B, more disadvantaged land
- 5.23 ha category C, less disadvantaged land
- Total area is $A + B + C = 6,512.81 \text{ ha}$

Application of degressivity:

Eligible hectares after 6,512.81 ha **(a)**

4,000 ha will be paid at 100%

2,512.81 ha will be paid at 90%

Area after degressivity:

$4,000 \text{ ha} + (2,512.81 \text{ ha} \times 90\%) = 6,261.53 \text{ ha}$ **(b)**

Area reduced by degressivity is **a – b**:

$6,512.81 \text{ ha} - 6,261.53 \text{ ha} = 251.28 \text{ ha}$ **(C)**

Degressivity area **(C)** as a % of **(a)**:

$251.28 \text{ ha} / 6,512.81 \text{ ha} = 3.86 \%$ **(D)**

The area after any non-ring fenced dairy and /or stocking density reduction then reduced by the figure obtained at **(D)** in this case 3.86%.

Category A, $6,349.40 \text{ ha} \times 3.86\% = 6104.31 \text{ ha}$

Category B, $158.18 \text{ ha} \times 3.86\% = 152.08 \text{ ha}$

Category C, 5.23 ha X 3.86% = 5.03 ha

The reduced area is then used to calculate the LFASS payment.

Grazing category land X Grazing Category multiplier X Enterprise mix multiplier

Category A, 6104.31 ha X 0.167 X 1.35 = 1376.22 ha

Category B, 152.08 ha X 0.333 X 1.35 = 68.37 ha

Category C, 5.03 ha X 0.667 X 1.35 = 4.53 ha

Estimated payment summary

More disadvantaged A + B = 1444.59 ha X £62.10 = £89,709.04

Less disadvantaged C + D = 4.53 ha X £54.51 = £246.93

Payment due = £89,955.87

If your application is affected by the degressivity thresholds, you will be notified in your payment letter.