

**Q. Why is there need for a loan scheme?**

A. The Scottish Government is committed to supporting farmers and crofters through the recovery from COVID19 and to overcome the challenges presented by Brexit. To help aid business cash flow and maintain vital cash flow within the rural economy, we have launched the 2021 National Basic Payment Support Scheme (NBPSS21) loan scheme.

**Q. Why are you calling it a loan when it's an advance on what I am due?**

A. There are specific rules around advance payments which at this stage of processing 2021 claims would mean we could not make advance payments. Therefore, we are making the offer of loans from domestic funding.

**Q. How will loan values be calculated?**

A. In most cases, loan offers will be calculated at 95% of anticipated CAP Basic and Greening 2021 payment, capped at a maximum of £133,638.00.

**Q. How much am I entitled to receive?**

A. The majority of businesses will be offered a loan of 95% of their anticipated 2021 BPS and Greening payment entitlement – up to the scheme limit of £133,638.00. Others will be offered less on a sliding scale, based on similar factors to those used in the 2020 scheme, such as those who may not meet their Greening requirements.

**Q. Why is my loan offer less than 95% of my anticipated 2021 BPS and Greening payment?**

A. We have now operated ten successful loan schemes. For the vast majority of loans, we have been able to make full recoveries at the point at which these balancing scheme payments have been made. A small number of BPS and LFASS loans were not fully recovered when corresponding scheme payments were made, because payments were less than the value of the loans taken by individual businesses. We need to ensure that by offering 2021 loan payments we are not creating additional debt burdens for affected businesses later on in the year. Therefore some loan offers may be reduced (or not offered) to ensure there will be sufficient headroom to allow full recovery of any 2021 loan plus historic loan and scheme debt once the CAP scheme payment is made.

**Q. When will I receive my NBPSS21 loan offer letter?**

A. We will be sending out NBPSS offer letters in batches, reflecting the large total number of BPS claimants. The first batch of loan offers should start arriving from mid-August 2021 and further batches will be issued shortly thereafter.

**Q. How do I accept the loan offer?**

A. In line with the approach taken to the NBPSS 2020 loan scheme, the NBPSS 2021 scheme will be an “opt in” scheme. This means that those wishing to apply for a loan will need to reply promptly once the Scottish Government has written to them, indicating that they wish to apply. As we continue to respond and adjust to COVID-19, the health, safety and welfare of staff and customers are of the utmost importance to the Scottish Government. To help us keep our staff safe and process your loan payment faster we would prefer loan offer acceptances to be completed online by going to

**Q. How do I accept loan offer online?**

You need to go to <https://account.ruralpayments.org/loans> or scan the QR code on your letter. You will then need to enter your Business Reference Number (BRN) (can be found on any previous correspondence from us) along with your unique access code (which you can find on page 1 of your loan offer letter).

**Q. I do not know my BRN, where can I find it?**

You can find your BRN on any previous correspondence from us or by logging into your rural payments and services account. Your local Area Office will also be able to assist you.

**Q. Who should I contact if I have issues accepting the loan offer online?**

Customers can contact their local RPID Area Office or email [NationalBPSSScheme@gov.scot](mailto:NationalBPSSScheme@gov.scot) and they will be able to assist with any issues.

**Q. Why my access code is a 16 character code?**

It needed to be complex enough to secure the service against cyber security attacks. We therefore modelled the approach on the 2021 census where a 16 character code was used.

**Q. How many farmers and crofters are eligible?**

A. The full extent of eligible businesses is still being confirmed, but we expect this to be remain at around the same level as the 2020 loan scheme when offers were made to over 17,000 businesses.

**Q. Will anyone not be eligible for a loan?**

A. It is likely that a small number of applicants will not receive a loan, based on due diligence undertaken on the back of claims received and in line with the Government's public finance obligations in relation to the reliability of loan recovery. This was the case for the 2020 BPS loan scheme too.

**Q. Will farmers who claim land in Scotland as well as England and or Northern Ireland be offered a loan?**

## NATIONAL BASIC PAYMENT SUPPORT SCHEME 2021 (NBPSS 2021) Q&A

A. If they hold Basic Payment entitlements for the Scottish land claimed then they may be offered a loan based on the Scottish land and payment entitlements.

### **Q. Will farmers and crofters who have been inspected be offered a loan?**

A. Yes, so long as they remain eligible for a BPS and Greening 2021 payment.

### **Q. Will loans be paid in euros?**

A. As a result of EU withdrawal, funding for Direct Payments come from Her Majesty's Treasury (HMT) through domestic funds. As a consequence the option to receive Direct Payments in euros is no longer available. This means that all payments will be made in sterling. The exchange rate to convert euro values to sterling will be the same rate as adopted for the 2020 year €1 = £0.89092. If you have changed banks or need to supply Sterling bank details, you can do this online through [Rural Payments and Services](#). Using the online service is the quickest and easiest way to make sure your details are correct.

You can also use the forms below to change your details.

[PF03 - Register your bank details form – Sterling](#)

### **Q. I am transferring in payment entitlements this year – will these be included in my loan offer?**

A. We are currently processing BPS payment entitlement transfer applications -therefore we cannot guarantee your loan offer will include these. Any new entitlements you have leased or purchased for the 2021 BPS/Greening scheme will be included in your CAP BPS/Greening 2021 payment.

### **Q. What if I haven't received a loan offer letter?**

A. Letters will start to be sent from mid-August 2021 and will continue to be issued as claim eligibility is confirmed. If you are concerned about not receiving your offer letter please contact your local RPID Area Office or by emailing [NationalBPSSScheme@gov.scot](mailto:NationalBPSSScheme@gov.scot).

### **Q. Who can accept the terms of the 2021 National BPS Scheme?**

A. The loan offer is being made to the business. In the majority of cases, it will be a member of the business who accepts the conditions of the loan. If the business member is not able to accept the loan offer, then it can be accepted by someone who holds the required authority from the business member(s) and accepts the responsibility for receiving the loan.

### **Q. Can an agent accept my loan offer?**

A. The existing agent mandates held by RPID do not extend to loan payments. The loan offer is being made to the business, in the majority of cases it will be a member of the business who accepts the conditions of the loan.

## NATIONAL BASIC PAYMENT SUPPORT SCHEME 2021 (NBPSS 2021) Q&A

If a business member is not able to accept the loan offer, then it can be accepted by someone who holds the required authority from the business member(s) and accepts the responsibility for receiving the loan. They should complete the loan acceptance in their own name and not the name of the company they work for.

### **Q. What happens if I miss the application deadline date shown on my offer?**

A. You will still be able to enter the loan scheme, however we cannot guarantee when this payment will be processed. To avoid this, you should respond as soon as possible (**online if possible**). A closing date will be announced later this year.

### **Q. What if I don't want a loan?**

A. If you do not wish to accept the offer you do not need to take any action.

### **Q. What happens if I change my mind?**

A. Please contact us as soon as possible by contacting your local RPID Area Office or emailing [NationalBPSScheme@gov.scot](mailto:NationalBPSScheme@gov.scot)

### **Q. When will farmers and crofters receive their loan payments?**

A. We expect to start making payments in September to those who apply before the deadline included in their letter.

### **Q. How will loans be repaid?**

A. The value of loans will be deducted from claimant's 2021 CAP BPS payment once that has been made. This is the approach taken to the previous BPS loan schemes.

### **Q. Will you charge interest?**

A. Where loans are fully recovered from the claimant's 2021 CAP BPS payment, Scottish Government will meet interest costs in compliance with article V of the World Trade Organisation Agreement on Agriculture (Domestic Support) Regulations 2020.

### **Q. What if a loan turns out to be more than the value of my eventual BPS and Greening 2021 payment?**

A. It is possible that in a small number of cases, we may find that you are entitled to less of a CAP Basic Payment and Greening 2021 payment than you will have received as a loan. In such cases, we will require the difference to be repaid. In a very small number of cases, we may find that you are not entitled to any payment, in which case you would be required to repay in full the loan you have received.

If you repay within seven days, you will not be required to pay any interest on the loan.

## **NATIONAL BASIC PAYMENT SUPPORT SCHEME 2021 (NBPSS 2021) Q&A**

If you have any doubt as to the value of your application for CAP Basic Payment and Greening 2021, we would encourage you to contact your local RPID area office to discuss and explore the potential implications of applying for a loan.

### **Q. Will you allow for more time if a loan repayment can't be made within 7 days?**

A. Article V of the World Trade Organisation Agreement on Agriculture (Domestic Support) Regulations 2020, require us to charge interest at commercial rates on any outstanding balance. However it is very unlikely that this will be an issue for you as the maximum payment you can receive as a loan through NBPSS is 95% of your CAP BPS and Greening payment and we will automatically deduct the NBPSS payment from your CAP BPS and Greening payment.

### **Q. Where can I get help and support?**

A. Customers can contact their local RPID Area Office or email [NationalBPSSScheme@gov.scot](mailto:NationalBPSSScheme@gov.scot)

### **Q. When will BPS and Greening 2021 payments be made?**

A. We are making good progress in our handling of CAP BPS and Greening scheme payments, and are on track to commence payments from the start of the payment window in December.