



Direct Payments to Farmers (Legislative Continuity) Bill

On 29 January 2020, all stages of the [Direct Payments to Farmers \(Legislative Continuity\) Bill](#) are scheduled to take place in the House of Lords.

Summary

- The bill was introduced in the Commons on 9 January 2020 and had its [second reading](#) on 21 January 2020. It is due to complete its remaining Commons stages on 28 January 2020. It is then due to complete all its Lords stages the following day. This timetable means the House of Lords Library is publishing its briefing on the bill before it has finished all its stages in the Commons.
- According to [Forthcoming Business](#), the bill will be a money bill. The Speaker of the House of Commons certifies a bill as a money bill if in his opinion it contains only provisions dealing with national taxation, public money or loans or their management. A money bill can be presented for royal assent without the consent of the House of Lords if the Lords does not pass it without amendment within a month of receiving it from the Commons. The House of Lords [Companion](#) notes that this “does not debar the Lords from amending such bills”, but the Commons “is not obliged to consider the amendments”.
- UK farmers currently receive direct payments under the EU’s common agricultural policy (CAP). Under the UK-EU withdrawal agreement, most EU law will continue to be applied in the UK during the implementation (or transition) period due to run until 31 December 2020. However, the EU direct payments legislation will no longer apply to the UK from exit day, 31 January 2020.
- The bill would provide the legal basis to continue direct payments to farmers across the UK for the claim year 2020. It would incorporate the EU direct payments legislation as it stands on exit day into domestic law. It would give ministers and the devolved authorities powers to make ‘corrections’ to ensure this legislation remains operable once the UK has left the EU. It would also give ministers and the devolved authorities a discretionary power to make amendments during 2020 if the equivalent EU law is amended.
- The bill also includes powers for ministers to increase the total maximum amount of direct payments in 2020, following changes recommended by the [Bew Review](#) to the way UK CAP funds are allocated between England, Scotland, Wales and Northern Ireland.
- At second reading, MPs across the Commons welcomed the fact the bill would secure certainty for farm payments in the short-term. However, opposition MPs argued the bill would not have been necessary if the Government had made progress with the [Agriculture Bill introduced in the 2017–19 session](#).
- The Government introduced a new [Agriculture Bill](#) on 16 January 2020. This would phase out direct payments in England over a seven-year period and replace them with a system based on payments for public goods such as environmental protection and access to the countryside.

Nicola Newson | 23 January 2020

A full list of Lords Library briefings is available on the research briefings page on the internet. The Library publishes briefings for all major items of business debated in the House of Lords. The Library also publishes briefings on the House of Lords itself and other subjects that may be of interest to Members. Library briefings are compiled for the benefit of Members of the House of Lords and their personal staff, to provide impartial, authoritative, politically balanced briefing on subjects likely to be of interest to Members of the Lords. Authors are available to discuss the contents of the briefings with the Members and their staff but cannot advise members of the general public.

Any comments on Library briefings should be sent to the Head of Research Services, House of Lords Library, London SW1A 0PW or emailed to purvism@parliament.uk.

Further Information

- House of Commons Library, [Direct Payments to Farmers \(Legislative Continuity\) Bill \(2019–20\)](#), 22 January 2020

Briefing setting out the policy background to and provisions in the bill and providing a short summary of the Commons second reading debate.

- House of Commons Library, [‘Farm Futures: A Changing Landscape for UK Agriculture’](#), 20 December 2019

Article outlining possible post-Brexit changes to farm funding in the UK.