

ELM update

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BPS Reductions....

Payment Band	2021 scheme year	2022 scheme year	2023 scheme year	2024 scheme year
<=£30,000	5%	20%	35%	50%
£30,000 to £50,000	10%	25%	40%	55%
£50,000 to £150,000	20%	35%	50%	65%
>£150,000	25%	40%	55%	70%
Cumulative total amount to be redirected into delivering other schemes for farmers	£169 - 179m	c£427 - 447m	c£703 - 733m	c£970 - 1,010m

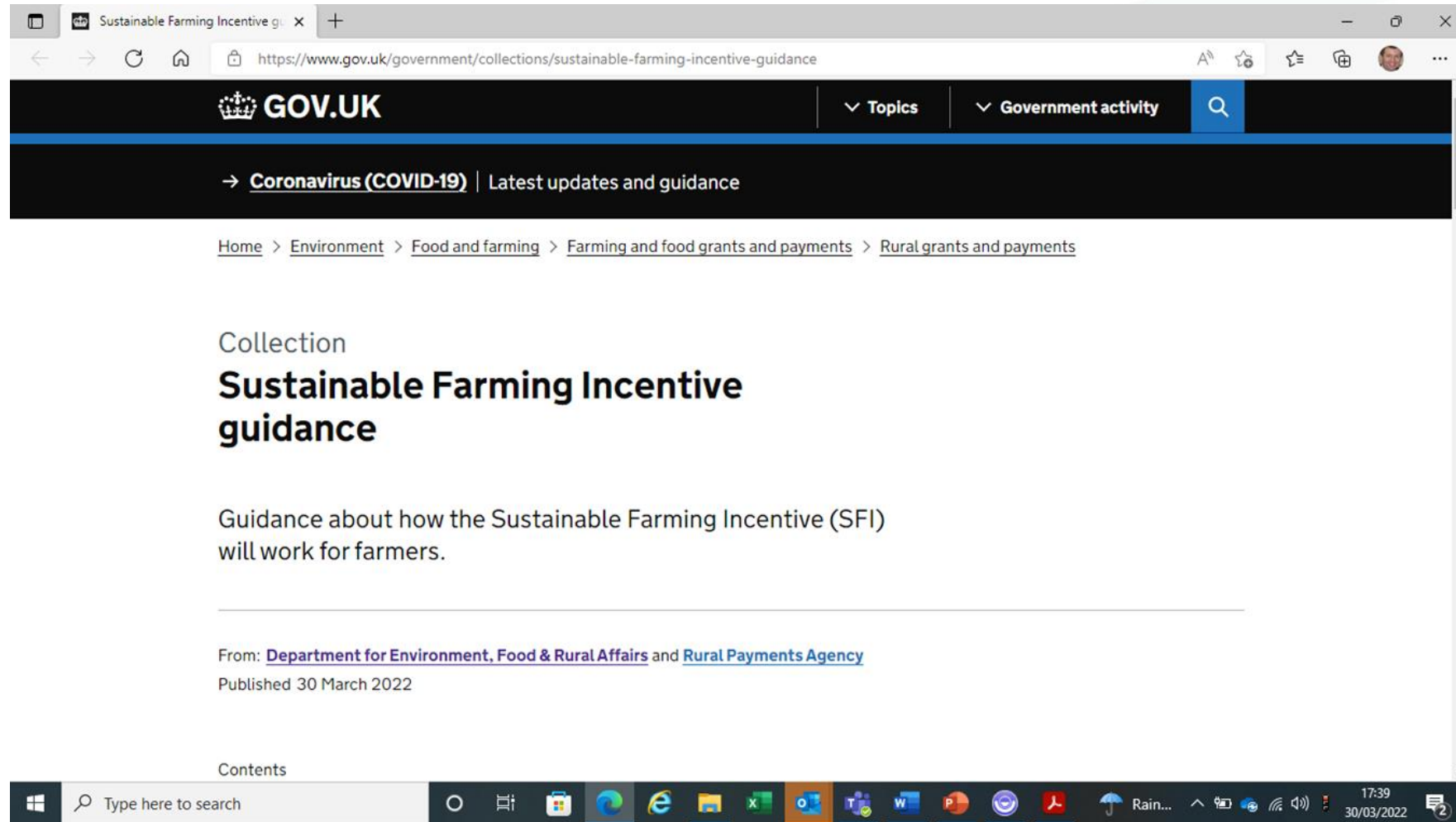
Environmental Land Management

Three component levels

Sustainable Farming Incentive	Local Nature Recovery	Landscape Recovery
Simple actions that achieve environmental outcomes – a foundation	Locally-targeted environmental goals. Encourages collaboration	Landscape and ecosystem recovery through long-term, land use change projects

OFFICIAL-SENSITIVE

March announcement



The screenshot shows a web browser window with the following content:

- Browser tab: Sustainable Farming Incentive g... x
- Address bar: <https://www.gov.uk/government/collections/sustainable-farming-incentive-guidance>
- GOV.UK logo and navigation menu (Topics, Government activity)
- Search bar with a magnifying glass icon
- Header: → [Coronavirus \(COVID-19\)](#) | Latest updates and guidance
- Breadcrumbs: [Home](#) > [Environment](#) > [Food and farming](#) > [Farming and food grants and payments](#) > [Rural grants and payments](#)
- Section: Collection
Sustainable Farming Incentive guidance
- Description: Guidance about how the Sustainable Farming Incentive (SFI) will work for farmers.
- Source: From: [Department for Environment, Food & Rural Affairs](#) and [Rural Payments Agency](#)
- Published: 30 March 2022
- Section: Contents

The Windows taskbar at the bottom shows the search bar with "Type here to search", various application icons, and system tray information including the time 17:39 and date 30/03/2022.

Sustainable farming Incentive 2022

- Simplified online application process, (will do some of the calculations automatically for you e.g. exclude ineligible land.)
- Opens in June 2022 and a rolling application window
- BPS applicant (5ha claim) but not all of land needs to go into SFI
- Need management control
- What land is eligible?
 - Need correct land cover (arable, PP, PC or non agricultural)
 - Need correct land type (detailed land use)
 - All 'available area' needs to be claimed under standard
 - CS options can lead to split
 - Double funding
- Whole parcel but not whole farm

Sustainable farming Incentive 2022

- Tenants – short-term rolling tenancy agreements can enter SFI, provided they expect to have management control for 3 years
- The core elements of SFI available in 2022 are:
 - Arable and horticultural soils standard
 - Improved grassland soils standard
 - Moorland and rough grazing standard
 - Annual Health and Welfare Review
- Scheduled monuments, historic and archaeological features
- Peat soils are eligible but special rules
- No Capital payments

Application and Payment

- 3 year agreement (2 year minimum on tenancy)
- Quarterly payments
- Ability to add standards, land and ambition
- Private finance allowed

Arable and hort soils (per ha)

Introductory - £22

Intermediate - £40

Advanced - £????

Improved grassland soils (per ha)

Introductory - £28

Intermediate - £58

Advanced - £????

Moorland (per ha)

Introductory – £10.30 plus set payment of £265

Intermediate - £????

Advanced - £????

Getting ready

- How an SFI standards agreement interacts with other funding schemes
 - BPS/CS/ES
 - Comprehensive tables of computable options
- Check Rural Payments permissions
- Check all your land is on the system
- Check land cover on parcels
- Breaches

New Guidance

The screenshot shows a web browser window with the following content:

- Browser tab: Sustainable Farming Incentive gu x
- Address bar: <https://www.gov.uk/government/collections/sustainable-farming-incentive-guidance>
- Section header: **SFI standards**
- Item 1: [How the SFI standards work](#)
30 March 2022 Guidance
- Item 2: [The SFI arable and horticultural soils standard](#)
30 March 2022 Guidance
- Item 3: [The SFI improved grassland soils standard](#)
30 March 2022 Guidance
- Item 4: [The SFI moorland standard](#)
30 March 2022 Guidance
- Section header: **SFI annual health and welfare review**
- Item 5: [SFI annual health and welfare review](#)
30 March 2022 Guidance
- Footer: [↑ Contents](#)

The Windows taskbar at the bottom shows the search bar with the text "Type here to search", several application icons, and the system tray with the date "30/03/2022" and time "20:20".

Arable and hort soils

Introductory level (£22/ha)	Intermediate level (£40/ha)	Advanced Level (?????/ha)
Test Soil for Organic Matter one in every 5 Years		<i>Min Till on XX% of land? Available 2023 onwards</i>
Produce Soil Management Plan		
70% of land in the scheme has winter cover (Dec to Feb)	have green cover on at least 50% of land in this level of the standard over winter and multi-species cover crops on an additional 20% of the land	
add organic matter to all land in the standard at least once during the 3-year SFI standards agreement	<u>can</u> include green cover grown above	

Eligible on cultivated land including horticulture and temporary grass

Improved Grassland

Introductory level (£28/ha)	Intermediate level (£58/ha)	Advanced Level (?????/ha)
Test Soil for Organic Matter one in every 5 Years		<i>Available 2023 onwards</i>
Produce Soil Management Plan		
95% green cover to protect soil (no more than 5% bare (or becoming bare) ground from Dec to Feb)	Establish or maintain herbal leys to improve soil health on at least 15% of land in the standard	

Eligible on all other grassland?

Future standards

2022	2023	2024	2025
Arable and Hort Soils	Nutrient Management	Agroforestry	Organic
Improved Grassland Soils	Integrated Pest Management	Low and No input grassland	On Farm Woodland
Moorland and rough grazing (int)	Hedgerows	Moorland and rough grazing (All)	Orchards and specialist hort
AHW Review	Advanced levels of the 2 soils standards	Water Body Buffering	Heritage
		Farmland Biodiversity	Dry Stone Wall

ELM level up

Local Nature Recovery

- Delivers against local nature priorities
- Support co-operation
- Open to farmers, foresters and other land managers
- Set payment rates
- Multi year agreements
- Complimentary to SFI

Landscape Recovery

- Stand alone Large-scale approach to producing environmental and climate outcomes
- Permanent and use change
- 500 – 5,000 ha scale projects
- Expectation is they will be 20 years plus in length
- Payment rates negotiated as part of agreement with Defra.

What will they pay for...

Local Nature Recovery

- Feeding, shelter and breeding areas for wildlife
- Grassland habitats (species-rich grassland)
- Wetland habitat
- Upland and lowland peat and moorland
- Recovery and reintroduction of particular wildlife species
- Trees and woodlands, including agroforestry,
- Nature-based solutions for water
- Restoring rivers, flood plains, streams and riparian habitat

Landscape Recovery (Pilots)

- “Create at least 20,000ha of wilder landscapes, habitats, rewetted peat and afforestation at a landscape scale”.
 - At least 10,000 hectares of restored habitat
 - At least 25 to 50 kT C savings/year
 - Improved status of 45-57% of Species of Principal Importance, for example Eurasian curlew, marsh fritillary, water vole, and shrill carder bee
- First wave of projects has two themes
 - Recovering and restoring threatened native species
 - Restoring streams and rivers

Other Schemes....

- **Lump Sum Exit Scheme and delinking**
- **New Entrants Scheme.**
- **Slurry Investment Scheme**
- **Farm Investment Fund**
 - Farming Equipment and Technology Fund
 - Farming Transformation Fund
- **Farming in Protected Landscapes**



NFU supported by



NFU Mutual



Lump Sum Exit Scheme

- Eligibility
 - Claimed BPS in 2018 or earlier
 - Inheritance
- Transfer agricultural land (By 31 May 2024)
- Partnerships
- Existing schemes

Lump Sum Exit Scheme

- Calculation of the reference amount
 - BPS 2019, BPS 2020 and BPS 2021 payments and divide by 3
- Lump sum = reference amount (capped at £42,500) x 2.35
- Claiming BPS in 2022
- Tax treatment

The schemes – From 2024

- Legacy Countryside stewardship and Environmental stewardship
- Environmental Land Management Scheme
- National pilot, tests and trials
- Sustainable farming incentive
- Tree health pilot
- Farming in protected landscapes
- Animal health and welfare
- Farming investment fund
- New entrants support scheme
- Slurry investment scheme
- Research and development and innovation
- Farm resilience support
- Skills, training and benchmarking
- Legacy BPS payments

The screenshot shows a web browser window with the following elements:

- Browser Tabs:** "Not Found" and "Countryside Stewardship revenue".
- Address Bar:** <https://www.gov.uk/government/publications/countryside-stewardship-revenue-payment-rates-from-1-january-2022>
- GOV.UK Header:** Includes the GOV.UK logo, navigation menus for "Topics" and "Government activity", and a search icon.
- Navigation Bar:** A black bar with a white arrow pointing to **Coronavirus (COVID-19)** and the text "Latest updates and guidance".
- Breadcrumbs:** Home > Environment > Food and farming > Farming and food grants and payments > Rural grants and payments > Countryside stewardship
- Section Header:** "Guidance" followed by the main title **Countrywide Stewardship revenue payment rates from 1 January 2022**.
- Text:** "Details of the new payment rates for Countryside Stewardship (CS) revenue options that will apply to CS agreements from 1 January 2022".
- Metadata:** "From: [Rural Payments Agency](#)", "Published 6 January 2022", and "Last updated 9 February 2022 — [See all updates](#)".
- Taskbar:** Windows taskbar with search, task view, and various application icons. System tray shows 5°C, 16:18, and 24/02/2022.

Example increases

Measure	Old Payment Rate (£)	New Payment Rate (£)
Nectar Flower Mix	511	579
Cultivated areas for arable plants	532	544
Two year sown legume fallow	522	569
Basic Overwinter stubble	84	58

Example increases

Measure	Old Payment Rate (£)	New Payment Rate (£)
Creation of grassland for target features	253	372
Permanent grassland with very low inputs (outside SDAs)	95	132
Permanent grassland with very low inputs in SDA	16	71
Management of Moorland	43	51