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Ongoing payments through schemes for:

	2022	2023	2024	2025	2026...
Tests and Trials	Continuing				
Sustainable Farming Incentive	Piloting Early rollout of scheme begins				
Local Nature Recovery	Early rollout of scheme begins				
Landscape Recovery	Phased rollout				
Countryside Stewardship agreements, Wildlife Offers and Capital Grants	Applications open annually until 2023 for 2024				
Woodland Creation Planning Grant	Open			Incorporated into environmental land management schemes	
England Woodland Creation Offer	Open			Incorporated into environmental land management schemes	
New Entrant Support Scheme	Piloting				

One-off payments for:

	2022	2023	2024	2025	2026...
Farming in Protected Landscapes	Applications open				
Tree Health	Piloting Existing Countryside Stewardship grants ongoing			Incorporated into environmental land management schemes	
Farming Investment Fund (including slurry investment)	Several rounds of funding over this period				
Farming Innovation Programme	Several rounds of funding over this period				
Animal Health & Welfare	Applications open				
Lump Sum Exit Scheme	Open				

Changes to direct payments:

	2022	2023	2024	2025	2026...
Phase-out of Direct Payments	Reductions				Phase-out complete 2027
Delinked payments				Delinking	Ends 2027



Department for Environment Food & Rural Affairs

New farming policies and payments in England



We are supporting farmers to produce high quality food, improve the environment and grow their business through a range of options. Find out how in this leaflet.

You can also find out more about the changes and how you can get involved by visiting <https://defrafarming.blog.gov.uk>



Department for Environment Food & Rural Affairs



July 2022

Ongoing payments through schemes for:

Managing your land in an environmentally sustainable way

Sustainable Farming Incentive will pay for environmentally sustainable land management actions that all farmers can do, such as soil and livestock management, integrated pest management and fertiliser use. The scheme will expand to a full range of options and support by 2025.

Eligibility: Initially available to farmers in receipt of Basic Payments. Later the scheme will be opened up to all farmers, including those not currently in a scheme. In the future we expect most farmers in England will be in this scheme.

Managing habitats, woodland, flood risk and reducing water pollution

Local Nature Recovery is the more ambitious successor to Countryside Stewardship. For actions that support local nature recovery and deliver local environmental priorities; making sure the right things are delivered in the right places. The scheme will also encourage collaboration between farmers, helping them work together to improve their local environment.

Eligibility: A wide range of farmers and land managers.

Countryside Stewardship will continue to be open to new applications until 2023 (for agreements starting in 2024). This includes four **Wildlife Offers** available for Arable, Mixed, Upland and Lowland Grassland farms. The Mid Tier offers revenue payments and grants to protect and enhance the natural environment, in particular the diversity of wildlife and water quality. The Higher Tier is for more environmentally significant sites, commons and woodlands. A range of **Capital Grants** are also available to support improved water and air quality and for hedgerows and boundaries, and for woodland management plans and tree health.

Largescale landscape and ecosystem restoration projects

Landscape Recovery will pay for long term, land use change projects, including rewilding where appropriate. Activities could include creating woodland, restoring wetland and peatland, enhancing bogs, fens or saltmarshes, and creating nature reserves.

Eligibility: Largescale sites, typically around 500-5000 ha, provided by groups of land managers.

Ongoing payments through schemes for:

Testing the schemes

So far, 3,000 farmers and land managers covering a range of different geographies, sectors and farm types have taken part in **tests and trials** to help us understand how the building blocks of the future schemes could work in practice.

Planting trees

The **England Woodland Creation Grant (EWCO)** administered by the Forestry Commission, supports creation of new woodland, including through natural colonisation, on areas as small as 1 hectare. See:

<https://www.gov.uk/guidance/england-woodland-creation-offer>

Eligibility: Owner occupiers, tenants, landlords and licensors who have full management control of the land in the application (or consent from those who do).

Planning woodland

The **Woodland Creation Planning Grant** provides funding to prepare a Woodland Creation Design Plan that complies with the UK Forestry Standard which can subsequently be used to support further woodland creation grant applications, such as the England Woodland Creation Offer.

Eligibility: Landowners, land managers and public bodies with woodland larger than 5 hectares.

Joining farming

The **New Entrant Support Scheme** aims to help new starters into farming to access land and finance to build innovative new land based businesses. We plan to run pilots for this scheme from 2022 to 2023.

Eligibility: To be developed in partnership with stakeholders.

One-off payments for:

Projects in protected landscapes

The **Farming in Protected Landscapes** programme provides funding for farmers and land managers until 2024. Projects could include supporting nature recovery, mitigating the impacts of climate change, or providing opportunities for people to engage with the landscape and cultural heritage.

Eligibility: Farmers and land managers within an AONB or National Parks in England, or the Broads.

One-off payments for:

Tree health

The **Tree Health Pilot** will trial new elements of a future scheme to support land managers and farmers in taking action against harmful tree pests and diseases. The pilot will offer different support to the existing Countryside Stewardship Woodland Tree Health Grants which will end in 2024.

Eligibility: The pilot is geographically targeted and will be delivered in London, the South East, the North West and West Midlands. Applicants will need to have an eligible tree pest or disease confirmed on their land by the Forestry Commission.

Animals

Good **Animal Health and Welfare** is fundamental to good business practice and financial performance.

We are offering financial assistance to help with these improvements. But we are also aiming to stimulate market demand for higher welfare products by increasing transparency and strengthening the regulatory baseline.

From autumn 2022, you can apply to receive a one-off payment for a yearly visit from a vet or vet-led team of your choice. We're calling this the Annual Health and Welfare Review.

Then from 2023 we are offering:

- co-funding of investments in equipment, technology and infrastructure that contribute to our health and welfare priorities (through Animal Health and Welfare Capital Grants)
- endemic disease eradication and control programmes for cattle, pigs and sheep – involving diagnostic testing, vaccination, vet advice and farm management
- trials of 'payment-by-results', where we will reward farmers for achieving higher animal welfare outcomes

Eligibility: Livestock farmers.

Equipment, technology and infrastructure

The **Farming Investment Fund** provides funding for equipment, technology, and infrastructure that improves farm productivity and benefits the environment.

Eligibility: Farmers, foresters and growers (including related contractors).

What happened to the Slurry Investment Scheme?

Instead of delivering a new stand-alone slurry scheme, we are expanding the slurry offer via the **Farming Investment Fund** in autumn 2022.

One-off payments for:

Research and innovation

The **Farming Innovation Programme** provides funding to support farming innovation and research to increase productivity and sustainability.

Eligibility: Farmers, growers, foresters and land managers.

Leaving farming

The optional **Lump Sum Exit Scheme** will help farmers who wish to exit farming, taking a lump sum in place of any further Direct Payments.

Eligibility: It will be necessary to have claimed, and been eligible, under the Basic Payment Scheme in a particular scheme year or years and meet other scheme rules.

Changes to direct payments:

Phase-out of Direct Payments

Progressive reductions will be applied to **Direct Payments** as we phase them out over seven years. This started with BPS in 2021.

We have created a calculator to show how progressive reductions could affect your payment for scheme years 2021 to 2024 (<https://calculate-direct-payment-reductions.defra.gov.uk/>).

Delinked payments

We intend to replace the **Basic Payment Scheme** with delinked payments in 2024. When payments are delinked, it will no longer be necessary to farm the land to receive payments.

Eligibility: Delinked payments will be based on payments during the Basic Payment Scheme 2020 to 2022 scheme years. Applicants must have also claimed the Basic Payment Scheme 2023.

Help to understand the offer:

Future Farming Resilience Fund

Advice and support for individuals and businesses affected by the removal of Direct Payments.

Eligibility: Any farmer or land manager in receipt of Direct Payments.