

Sustainable Farming Incentive

SFI Latest

The Actions introduced in 2023 are those that are presently available to apply for. Payment rates were increased at the beginning of the year and this summer a further 50 SFI actions will be released. Most recently, Defra took the decision to limit the amount of land that can be entered into Actions that take land out of production. The cap has been set at 25% of the total Holding area. The affected Actions are noted overleaf.

2024 Actions

Expected this summer, the new Actions will include 'creation' Actions supporting the creation of habitats, but also more 'maintenance' actions to pay farmers already maintaining existing habitats. Other Actions will incentivise the use of precision farming technology to reduce costly pesticide and fertiliser use. There is more detail to come, but DEFRA have announced the following 'High Priority for 2024' Actions

Action	Payment rate (per ha)
Nesting plots for lapwing	£765
Create lowland heathland	£711
Maintain in-field agroforestry	£248 – £849 depending on density & land
Manage species-rich floodplain meadows	£1,070
6 metre to 24 metre 3-dimensional (3D) waterbody buffer strip	£1,182
Connect river and floodplain habitats	£1,242
Make room for a river to move	£1,489
Create scrub and open habitat mosaics	£588



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TOUCH**

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Good to know

- **Payment Dates** – SFI agreement holders are paid quarterly, with the first payment received three months after the agreement starts.
- **Flexibility** – At each annual anniversary of an agreement start date there is opportunity to add more land or actions to receive further payments
- **Management Payment** is paid annually to all agreement holders to reflect the administrative costs of signing up and taking part. The payment is £20 per hectare, for up to 50 hectares of land entered into the scheme.
- **No minimum** area of land required
- **Cap of 25%** of total land holding on Actions that take land out of production
- **Agreements** can include as many or as few actions as works for the farm.
- **Tenants** – the permission of a Landlord to enter tenanted land into the SFI scheme is not required. An applicant will simply be asked to confirm that they expect to have management control of the land for the duration of the three year agreement.

Regulation Approach → advise and Prevent

DEFRA are now taking an 'advise and prevent' approach across their schemes, supporting farmers back into compliance rather than issuing immediate penalties, ensuring proportionate regulation

Changes to Countryside Stewardship Mid Tier

From this summer, SFI and Countryside Stewardship Mid-Tier applications will be merged into a single application service, replacing the current restrictive application window for CS Mid-Tier. Any duplications between CS options and SFI actions will be removed, making it easier to combine compatible SFI and CS actions on the same land parcels. CS Higher Tier applications will be unaffected.

SFI Actions Currently available

The following table provides a breakdown of all SFI actions that are currently available:

Code	SFI action	Annual payment	25% cap applies**
Actions for soils			
SAM1	Assess soil, test soil organic matter and produce a soil management plan	£6 per hectare and an additional payment of £97 per agreement	
SAM2	Multi-species winter cover crops	£129 per hectare	
SAM3	Herbal leys	£382 per hectare	
Actions for hedgerows			
HRW1	Assess and record hedgerow condition	£5 per 100 metres – one side	
HRW2	Manage hedgerows	£13 per 100 metres – one side	
HRW3	Maintain or establish hedgerow trees	£10 per 100 metres – both sides	
Actions for integrated pest management			
IPM1	Assess integrated pest management and produce a plan (this action applies to an SFI agreement, rather than a specific area of land (an 'agreement level SFI action'))	£1,129 per year	
IPM2	Flower-rich grass margins, blocks, or in-field strips	£798 per hectare	■
IPM3	Companion crop on arable and horticultural land	£55 per hectare	
IPM4	No use of insecticide on arable crops and permanent crops	£45 per hectare	
Actions for nutrient management			
NUM1	Assess nutrient management and produce a review report (agreement level SFI action)	£652 per year	
NUM2	Legumes on improved grassland	£102 per hectare	
NUM3	Legume fallow	£593 per hectare	
Actions for farmland wildlife on arable and horticultural land			
AHL1	Pollen and nectar flower mix	£739 per hectare	■
AHL2	Winter bird food on arable and horticultural land	£853 per hectare	■
AHL3	Grassy field corners and blocks	£590 per hectare	■
Actions for farmland wildlife on improved grassland			
IGL1	Take improved grassland field corners or blocks out of management	£333 per hectare	■
IGL2	Winter bird food on improved grassland	£515 per hectare	■
Actions for buffer strips			
AHL4	4m to 12m grass buffer strip on arable and horticultural land	£515 per hectare	
IGL3	4m to 12m grass buffer strip on improved grassland	£235 per hectare	
Actions for low input grassland			
LIG1	Manage grassland with very low nutrient inputs (outside SDAs)	£151 per hectare	
LIG2	Manage grassland with very low nutrient inputs (SDAs)	£151 per hectare	
Additional payments			
SFI Management Payment (*on first 50 hectares entered into SFI actions, per SBI)		£20 per hectare*	

** Following concerns over the amount of land coming out of production and going into SFI Actions, Defra have put an area limit on 6 of the 9 SFI actions.

Increased payment rate