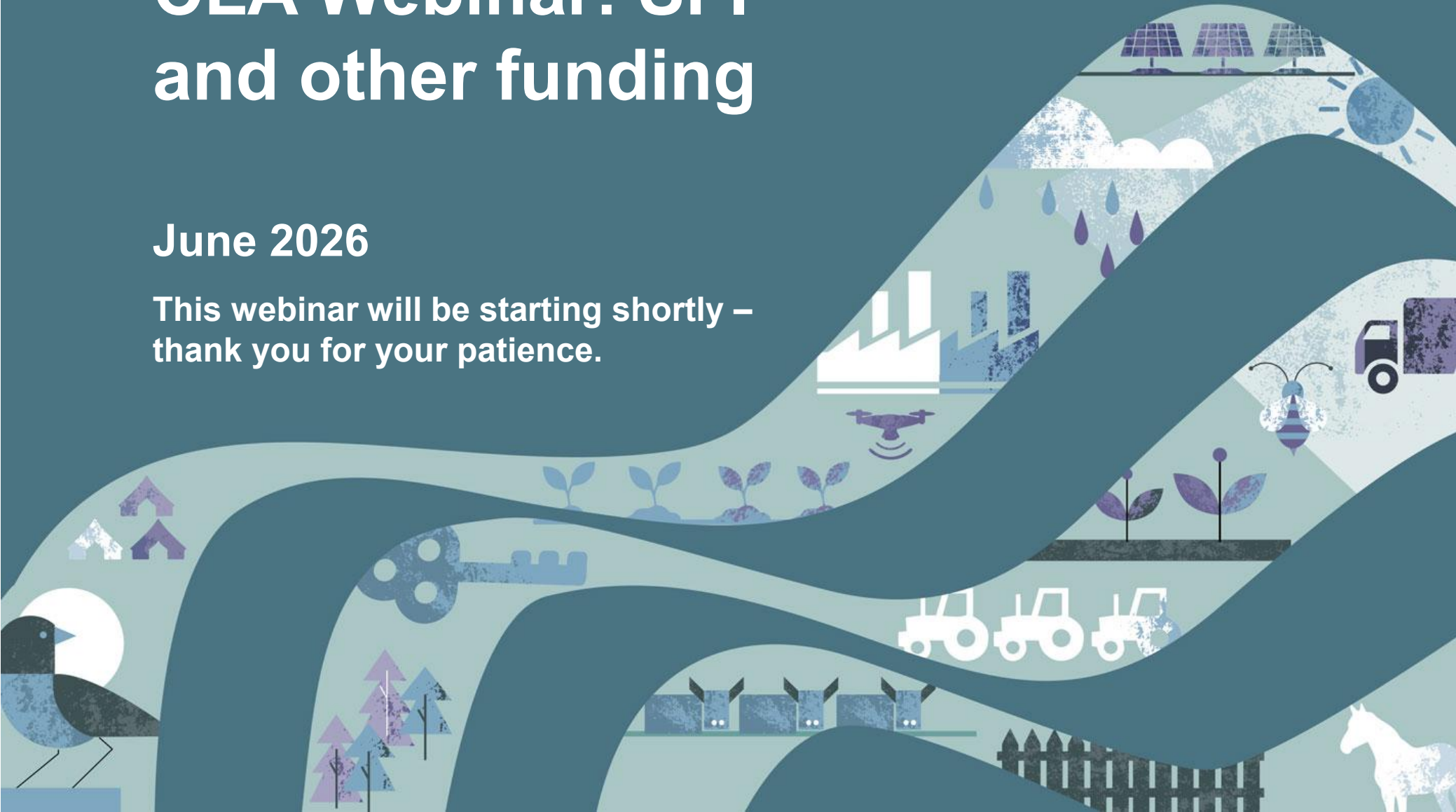


# CLA Webinar: SFI and other funding

June 2026

This webinar will be starting shortly – thank you for your patience.



# CLA Webinar: SFI and other funding

## Welcome



# Agenda

- **Environmental Land Management schemes (ELMs) and farming productivity schemes (CLA)**
  - Overview of Environmental Land Management Schemes
  - ELM Capital Grants
  - Productivity funding
- **Key information on SFI2026 (Defra)**
  - Scheme structure, eligibility and application windows
- **Panel discussion and Q&A**
  - [advice@cla.org.uk](mailto:advice@cla.org.uk)

# Speakers



**JACK CHIVERS**  
**CLA**

Land Use Policy  
Adviser –  
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**ANNA NOVIS**  
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Land Use Policy  
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**SAMUEL DOVEY**  
**DEFRA**

Land Management  
Policy Content Team

# Government funding: ELMS and productivity schemes



# Environment Land Management Scheme Overview

## Sustainable Farming Incentive

Focuses on practical land management actions which benefit the environment and can often be integrated into existing farming or land management activities.

## Countryside Stewardship Higher Tier

Focuses on site-specific management for priority habitats, species, historic environment features and water quality outcomes.

## Landscape Recovery

Focused on long-term, large-scale land use change to deliver specific outcomes such as habitat restoration, river catchment recovery or nature-based climate mitigation.



# ■ SFI26

## Key features at a glance

### **Budget**

£240 million for SFI26 split between £60 million for window 1 and £180 million for window 2 (for first year of agreements)

### **Two-window entry**

SFI26 launches in two windows: June for smaller farms and those not in a live RPA-administered ELM scheme and September for wider applications.

### **Minimum Area Requirement**

Eligibility requires applicants SBI to have at least 3 hectares of agricultural land registered

### **Single SFI26 per SBI**

Each farm business (identified by SBI) can have only one SFI26 agreement

### **Maximum Agreement Value**

SFI26 agreements have been capped at £100,000 per agreement year

# Countryside Stewardship Higher Tier (CSHT)

## Delivering high-value environmental outcomes

CSHT is a targeted ELMs offer to deliver high-value environmental outcomes such as management of priority habitats and species, designated site restoration, and woodland and agroforestry management.

## Currently open by invitation only

Since opening in September 2025, entry has been 'invite only' for priority groups.

## Pre-application process

Applicants progress through a structured pre-application process. Improvements are needed to speed this up – including transfers between agencies and SSSI consents.



# ■ ELM Capital Grants 2026



- Opens in July 2026 (exact date tbc)
- £225 million funding available – updates to be given when budget is 25%, 50% and 75% allocated
- Slight adjustments to the items available compared with 2025
- Increased emphasis on submitting fully evidence applications



# Productivity schemes

## Farming Innovation Programme

- ADOPT
- Defra Farming Innovation Investor Partnership

## Farming in Protected Landscapes

- Scheme extension to March 2029

## Farming Investment Fund

- Farming Equipment and Technology Fund
- Water Management and Slurry Infrastructure
- Adding Value Grant and Improving Farm Productivity Grant

**Farming Roadmap due to be published soon**

# ■ SFI 2026

## Scheme overview: Sam Dovey – Defra





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# Sustainable Farming Incentive 2026 (SFI26)

## Defra policy overview

16 June 2026

**Sam Dovey**





## Overview:

- 2 application windows for SFI26
- Window 1 (June 2026) open to
  - small farms
  - farms without an environmental land management revenue agreement
- Window 2 (from Sept 2026) open to all farmers and land managers
- SFI26 is an iterated version of SFI24 – however, we've made a range of improvements
- We engaged over 30 stakeholder organisations in developing SFI26





## SFI26 scheme information

Date	Guidance description
Tues 2 June	Near-final draft versions of main scheme information: <ul style="list-style-type: none"><li>• SFI26 scheme rules and guidance</li><li>• SFI26 agreement T&amp;Cs</li><li>• SFI26 actions</li></ul>
Mid-June	<ul style="list-style-type: none"><li>• final versions of main scheme information</li><li>• voluntary advice for SFI actions</li></ul>
Late June (ahead of Window 1 opening fully)	<ul style="list-style-type: none"><li>• “how to apply” guidance</li><li>• “how to apply” video</li></ul>

- We'll publish scheme information ahead of Window 1 opening
- This can be found on the SFI26 landing page on GOV.UK



## Timing of Windows 1 and 2

### Window 1

- Window 1 will begin with a small 'controlled rollout' from around 18 June to check the system
- We then expect to open Window 1 fully from 30 June, provided the system is working as intended
- It will close either:
  - when the budget is fully allocated; or
  - after 2 months at the latest

### Window 2

- Window 2 will open from September 2026
- It will close either:
  - when the budget is fully allocated; or
  - by March 2027 at the latest





## Budgets and Expiring Agreements

### The SFI26 Budget

- The total budget for new SFI26 agreements this year will be £240 million
  - **£60 million** has been allocated to Window 1
  - Any funding not allocated through Window 1 will be added to the budget for Window 2
- We'll publish updates on the farming blog when 25%, 50% and 75% of the budget is allocated to help avoid unexpected closure of the application windows.

### Soon-to-expire ELM revenue agreements

- We intend to help farmers with soon-to-expire ELM revenue agreements access the full SFI26 offer by allowing them to apply for land covered by these agreements before they expire
- We expect this to be in place from the start of Window 2 in September, and to confirm whether this approach will be possible before applications open for Window 1
- Small farms eligible for Window 1 but also have land in soon-to-expire agreements may wish to apply for Window 2 instead



## General eligibility for SFI26

Most eligibility rules stay the same as previous versions of SFI. You can apply if:

- you are a farmer or land manager
- you have land parcels located entirely in England
- your land or landscape feature is eligible for the SFI actions you want to select
- you will have management control of the land for the duration of the SFI agreement

However, there are two main changes to eligibility:

- new 3ha minimum area threshold (for both Windows 1 and 2)
  - to be eligible for SFI26, farmers should have at least 3ha of agricultural land, linked to the farm's SBI at the point of application
  - Note: this doesn't set a minimum area the farmer needs to apply for
- Window 1 will only be open to 2 sub-groups of farmers (see next slide)



## Eligibility for Windows 1 and 2

### Window 1

To be eligible for Window 1, a farm business:

- needs to have been registered with the RPA, so it had a Single Business Identifier (SBI) by 01 Jan 2026, and the SBI had some agricultural land linked to it on that date

and qualifies as either:

- a 'small farm' – up to 50ha of agricultural land registered with RPA and linked to its SBI on 01 Jan 2026

Or:

- a 'farm without an existing ELM revenue agreement' – this means its SBI did not have a live, RPA-administered ELM revenue agreement on 1 Jan 2026 (i.e. SFI, CSMT, CSHT, HLS)

- has at least 3ha of agricultural land linked to its SBI at the point of application

### Window 2

All farm businesses which, at the point of application:

- are registered with the RPA, so they have an SBI and have at least 3ha of agricultural land linked to that SBI



## SFI26 applications and agreements

- Most rules for SFI26 applications and agreements have stayed the same as they were in SFI24
- The main changes are that each farm business (as identified by its SBI) can only:
  - have one SFI26 agreement – this applies across Windows 1 and 2
  - apply for a maximum agreement value of £100,000 per agreement year
- These limits only apply to SFI26 agreements. You can still apply for an SFI26 agreement if you have an existing SFI24 or SFI23 agreement.



## SFI26 payments

- Most payment rates/rules stay as they were in SFI24
- We've removed the SFI management payment for SFI26 (doesn't affect SFI23/24 agreements)
- We've increased the payment rates for some moorland actions (in both SFI26 and existing agreements) for:
  - 3 livestock grazing actions
  - 2 shepherding livestock actions
- We've reduced the payment rates for three high uptake actions (for SFI26 agreements only):
  - CSAM3: Herbal leys
  - CAHL2: Winter bird food
  - CNUM3: Legume fallow



## SFI26: available actions

- We've streamlined the SFI26 offer
- 71 actions in SFI26 – compared with 102 in SFI24
- Near-final versions of the actions were published 2 Jun 2026
- We have aimed for a package of actions which:
  - is simpler
  - still gives plenty of choice to farmers
  - helps support sustainable food production
  - contributes to government water and biodiversity targets
  - removes actions with low uptake or lower value for money





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## SFI26 actions – overview by category

Theme	Number of actions available in SFI26	Number of actions previously in SFI24 that are being removed
Agroforestry	2	0
Boundary features	3	2
Buffer strip	4	4
Farmland wildlife (arable/horticulture)	13	2
Farmland wildlife (grass)	9	2
Heritage	2	3
Integrated pest management (IPM)	3	1
Moorland	7	4
Nutrient management	2	1
Organic	11	3
Precision farming	3	1
Species recovery/management	2	2
Soil health	4	3
Waterbodies	6	3
<b>Total</b>	<b>71</b>	<b>31</b>



## SFI26 actions – other changes

Change	Detail
<b>Cap on rotational SFI26 actions</b>	Farmers can still move rotational actions from field to field, and change the area – but can't exceed the area entered for Year 1 of the agreement
<b>There are no longer any 5-year actions</b>	Almost all actions now last 3 years (except some organic conversion actions which can be shorter)
<b>Supplemental actions</b>	Can only be applied for if a corresponding base action is selected in the same SFI26 application
<b>25% limited area rule</b>	One action has been added to this rule (AHW7: enhanced overwinter stubble) and one action has been removed from the SFI26 offer
<b>GRH1/GRH12</b>	We've replaced an action GRH1 (manage rough grazing for birds) with a higher paying, more targeted action (GRH12: manage rough grassland for upland breeding waders)
<b>Wording clarifications</b>	For example, AHW9 (unharvested cereal headland) we've defined 'headland' to ensure the action is only done on field edges



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## SFI26 applications - be prepared

- Check **your farm business details**
- Check **your digital maps**
- Check **who has permission to act**
- Be ready to **apply online**
  
- 🖱️ Apply here:  
<https://www.ruralpayments.service.gov.uk/customer-account/login>





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# Check Your Digital Maps

Review your land in the Rural Payments service:

- Field boundaries correct
- Land parcels up to date
- Land is correctly registered

Check that your digital maps show:

- at least 3ha of agricultural land
- all the land parcels you want to include in your SFI26 application
- the correct total area (in hectares) for each land parcel
- the correct land covers for each parcel
- **You do not need to check or update the registered hedgerow lengths on your digital maps. These are not used in your SFI application**





## Top Tips for a smooth application

- Start preparing **now**
- **Check maps early** – biggest cause of delay
- Make sure **permissions are correct**
- Plan your **actions before applying**
- Apply **early in the window**





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## Keeping up to date



Keep up to date with the  
Defra Farming Blog



Visit the Farming Advice  
Service website

Alternatively, call the Rural Payments Agency (RPA): 03000 200 301

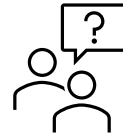


# Q&A session

# CLA member services



## Wide range of support to members

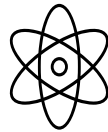


**Advice** – one to one advice: events; advice hubs; guidance notes; Land and Business

**CLA Advice from National and Regional teams –**  
[advice@cla.org.uk](mailto:advice@cla.org.uk)



**Lobbying and policy development**



**Member services** – insurance, energy and health



**Community** – CLA Charity, Veterans Initiative

# CLA webinar feedback - Understanding the Sustainable Farming Incentive scheme



# Thank you

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